

## Settlers want 'Allon Plan' site to be 'heart of Samaria'

By JOSHUA BRILLIANT

Jerusalem Post Reporter

**CAMP KADDUM.** — The Government faces tough bargaining with the settlers here when it comes to implementing Sunday's decision requiring them to move. The settlers want to stay here and will not easily accept an alternate site.

Leaders of the Gush Emunim movement and the Eilon Moreh settlement group here discussed the government's decision from 11:30 Sunday night until 5:30 yesterday morning.

At a press conference yesterday afternoon they declared they "will not agree to any decision which will mean dismantling the settlement. We hope the Government will withdraw its decision," they added.

They had moved here, some 10 kilometers west of Nablus, under a compromise with Defense Minister Shimon Peres. The agreement, reached last December 8, was designed to avert clashes between soldiers and squatters in the abandoned railway station near Sebastia.

"There is suitable land here, a main road and an army camp," Hanneh Porat, a Gush Emunim leader said. "Why can't this be a permanent settlement?"

But he added that the settlers would consider moving "if we get a serious proposal for a permanent settlement in the heart of Samaria." Strategic considerations, the availability of land and water would be taken into account. The settlers said they will not propose alternative sites and, in the meantime, will continue developing this camp.

Rabbi Shimon Grossman has been instructed by Religious Affairs Minister Yitzhak Rabin to offer the necessary religious services to Kaddum, the Government Press Office announced yesterday. Rabbi Grossman was appointed several days ago by the ministry to act as roving chaplain to the Jordan Valley settlements.

## U.S. still against any settlement in the 'areas'

Jerusalem Post Correspondent

**WASHINGTON.** — American officials said yesterday that they were not surprised by the Israeli Cabinet's Kaddum compromise and they reiterated U.S. opposition to all settlements in occupied territories.

Officials here referred reporters to Ambassador William Scranton's remarks of the settlements during an address to the Security Council, stressing that the Scranton speech represented U.S. policy.

The U.S. considers the settlements in the administered areas as violations of the Geneva conventions on warfare.

The UN Security Council last night continued its deliberations on Israel's occupation of the West Bank, but the Arab delegations had not yet reached agreement on a draft resolution condemning Israel. The Security Council meeting was adjourned after a short while until tomorrow.

## JN chief: Mideast may be ready to move peacewards

By JUDY SIEGEL

Jerusalem Post Reporter

**DEUTERAN-GENERAL Ennio Silasvuo,** chief coordinator of the UN peace-keeping missions in the Middle East, said last night that the countries in the area "may now be ready to make some progress towards peace."

The Finnish general stated that in military talks which have taken place since the Yom Kippur War have created "some understanding. I think people have come to know each other better." He was addressing a meeting of the Rotary Club (West) of Jerusalem at the King David Hotel.

After outlining the achievements of UN peace-keeping forces in the area, Silasvuo noted: "The UN has seen too good at separating people (long borders) but not so good in bringing people together," noted Silasvuo. "Sometimes, I'm afraid, we've helped to maintain the status quo, and nothing happens."

By DAVID LANDAU

Jerusalem Post Correspondent

**THE GOVERNMENT** is expected to offer Gush Emunim a site near Kochav Hashahar as an alternative to their Kaddum camp. Kochav Hashahar, a Nahal outpost north-east of Ramallah, is on the first range of hills rising up from the Jordan Valley. It is thus within the area of approved settlement delineated by the "Allon Plan."

Informed sources said yesterday that the Kochav Hashahar proposal would be discussed by the ministerial settlement committee, which is due to meet soon to draw up the government's offer to Gush Emunim. It would probably be supported by all the ministers, the sources said, save those of Mapam, who oppose most settlement in the West Bank.

Mapam, however, has acquiesced to all the West Bank settlement projects since the Six Day War, and will presumably not therefore force a crisis over the offer to Emunim.

The sources interpreted Sunday's Cabinet decision as a tacit reaffirmation of the Cabinet's basic — though never officially expressed — endorsement of the "Allon Plan," the settlement scheme first proposed by Deputy Premier Allon shortly after the Six Day War. The "Allon Plan" encourages settlement in the sparsely populated areas of the West Bank — mainly along the Jordan Valley and the foot-hills parallel to it, and around Jerusalem.

Sunday's Cabinet decision gave no specific hint of what alternative site might be offered to the Kaddum settlers. But Premier Rabin, briefing the Alignment faction leaders in the Knesset yesterday, seemed to confirm that what was meant was something within the confines of the "Allon Plan." "There is no point," Mr. Rabin said, "to settling in (the hills of) Samaria."

Gush Emunim themselves appear to have adopted "the heart of Samaria" as their rallying cry. Hanneh Porat, a leader of the settlement movement told newsmen yesterday that they would "seriously consider" the government's offer of an alternative site — provided it was "in the heart of Samaria" as it is known. They would reject any subterfuge which in effect barred Jewish settlement from this area, Porat warned.

Some (optimistic) political observers took comfort in the very fact that Porat held the door open for a dialogue. They remarked that the term "heart of Samaria" was not capable of precise geographical delineation, and this left room for manoeuvre.

When somebody noted that Ben-Gurion had never advocated settlement in the area, Rabin said:

"The number of hospitals had remained unchanged since 1967, but they had been reorganized to increase the kinds of medical aids offered, including some sophisticated services using expensive equipment."

Arab staff interviewed complained of a number of inadequacies, including the lack of any plan for health services development, exclusion of local staff from budgetary decisions, absence of higher professional training, low salaries, lack of job-security and insufficient spending on further improvements, the report said.

The committee found that the prevalence of communicable diseases had fallen and particular efforts were being made to cut back tuberculosis.

The committee suggested further studies to create an overall health services programme with enough staff, medicines and equipment. Particular attention should be paid to staff training and local groups should be consulted before policy decisions are taken, the report said.

In a separate report to the 151-nation WHO assembly, the Israel Health Ministry said health services had increased in the administered areas despite the economic recession in Israel. Several new clinics were built and the supply of medicines and equipment was increased, it said.

Trained personnel including doctors, nurses, midwives, pharmacists, technicians and others had risen from 709 in 1967 to 1,203 last year on the West Bank, the report said. In the Gaza and Sinai areas, trained staff rose from 550 in 1967 to 1,140 last year, it added.

(Health in Gaza — Page 10)

**\$25m. World Bank loan for Turkey**

**WASHINGTON.** — The International Finance Corporation, an affiliate of the World Bank, yesterday announced a \$25m. loan to Turkey. IFC said it is being joined by U.S., Belgian and German institutions in making the loan.

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Medical drug supplies seemed adequate although they were inefficiently managed, and there was still a lack of doctors and medical staff. Certain useful antibiotic drugs were not available.

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Labour and ILP cabinet ministers apparently now expect the NRP veteran leadership to exercise what influence it has over Gush Emunim to persuade them to accept a government-offered alternative.

An NRP draft proposal, tabled at the Cabinet on Sunday by Religious Affairs Minister Yitzhak Rabin, called for an alternative site "in Samaria" — significantly not "the heart of Samaria."

The Prime Minister is understood to have warned NRP veteran leaders Raphael and Burg last week that he would not hesitate to call an election rather than concede to Gush Emunim's demands.

Mr. Rabin is said to feel that Burg and Raphael are not enthusiastic over that prospect at this time, and to expect them therefore to urge Emunim to come to an amicable arrangement with the government.

**Asher Wallfisch reports:**

The future of the Kaddum settlement group occupied a number of Knesset factions yesterday, but they handled the issue in an atmosphere devoid of tension, realising that it would not become urgent again for a few weeks.

The Likud was one of five factions which vainly tried to get approval for an urgent debate on Kaddum this week. The Presidium turned the requests down, and the issue will therefore be debated only next week.

In the Alignment faction executive, Premier Yitzhak Rabin said in reply to questions that settlement in Samaria never had top priority, and the government would not alter its policy to give it such priority today. Previous governments had not carried out settlement in Samaria, he noted, not even the National Unity Government in which the Likud participated. Suddenly, after the Yom Kippur War, the hills of Samaria seemed higher to the Likud.

Rabin said that settlement in the Jordan Valley was the surest way to protect Israel's heartland because it created a continuous defensive strip in an empty area. On the other hand, settlement in Samaria could at best be a sporadic affair, devoid of continuity. There was no logic in establishing Jewish towns atop the mountain range, he said. Previous cases in which new Jewish towns had been set up next to Arab towns, such as at Nazareth, had not solved the problem, Rabin said.

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STATE COMPTROLLER Yitzhak Nebezhai lists some of the salient points of his latest critique of government activities at press conference in Jerusalem yesterday.

## Nothing done to stop profiteering from inflation — Comptroller

By GIDION ESHET

Jerusalem Post Economic Reporter

The State Comptroller, Dr. Yitzhak Nebezhai, yesterday charged the Government with doing nothing at all to implement the reforms he had suggested for the capital market to overcome exploitation of inflation. Inflation, he said, was the number one enemy of the economy.

"One of the worst results of inflation is the deterioration in the function of money. Without guaranteeing the stability of money, the will to work and to market products is dangerously reduced and the benefits to be gained from wasting resources and from dishonesty increase," Dr. Nebezhai said in presenting to the press the reports of his office for the year 1975.

"Some of the findings in the reports on the capital market and the linkage system reveal misuse of the system by exploiting inflation. The reform I suggested last year in the capital market so that people could not gain by inflation has not yet begun."

Dr. Nebezhai said that it was not so much the price hikes which were worrying, but the growing gap between resources and consumption. Although increasing resources is clearly the most favourable way to close the gap, the gap is so great that there is also a great need to reduce consumption considerably. Although the Government has taken steps in the right direction, much is still to be done, he said.

On the whole, the situation from the Comptroller's point of view has not improved in the last year, he said. However, the more moderate tone of his report is a result of both greater public awareness and of the efforts made by the Government in alleviating some of the worst problems.

Asked whether he felt there was a need for a comptroller to check the State Comptroller's office, Nebezhai said there was a unit which investigates his office — and that in 1975 no serious shortcomings were found which justified publication.

The State Comptroller strongly criticized the Defence Ministry for issuing a separate response to his report (which advocated tighter control over defence spending), and said he expected the Knesset committee in charge of the State Comptroller to take measures against the Ministry. According to the law, the ministries pass on their comments on the Comptroller's reports to the Finance Minister, who responds for the entire Government. The separate issuing of a comment by the Defence Ministry is unprecedented.

Arnon Gafni, Director-General of the Finance Ministry, told the press that the greatest difficulty the administration has in becoming more efficient is the continuous erosion in the authority of management in the public sector. Management has lost control over wage negotiations, which are now decided in a centralized way. They have no power either to punish or to reward an employee. With the central role of workers in the public sector, these limitations reduce efficiency, Gafni said.

The Government is to devote more resources to internal control to enable the ministries to have a better idea of performance, he said. However, it is very difficult to find suitable manpower to carry out this plan.

As of this year, the ministries will have to report to the Finance Ministry every three months, instead of once a year, on implementation of the State Comptroller's recommendations, as well as those of their own inspectors.

The Accountant General, Haim Stoenel, who attended the meeting, said that in the past year, measures have been taken to reduce the

(Continued on page 2, col. 5)

## Assad, Hussein speak of merger

### Cairo announces talks with Syria in Riyadh

By ANAN SAFADI

POST Middle East Affairs Correspondent

**SYRIAN PRESIDENT Hafez Assad** and King Hussein of Jordan yesterday announced that they had completed various measures for establishment of a union between their two countries.

The announcement came in a joint communique issued at the end of a three-day visit by Hussein to Damascus. The Jordanian monarch returned home yesterday after conferring with Assad in a sitting of the bilateral "Supreme Command Council" which is steering the two countries towards union.

This is the first time Assad and Hussein have openly spoken of their plans for union between Syria and Jordan. The Arabic word they used was in fact "merger."

The communique made no mention of a date for proclamation of the union, which they pledged to establish "on the most solid foundations."

The communique said Assad and Hussein held identical positions on the Middle East conflict and the Lebanese crisis. It also reported that they had the recent West Bank "uprising" and pledged to support the Palestine Liberation Organisation (PLO) in its "national and world roles."

Assad and Hussein were quoted as pointing to an "explosive" situation in the Middle East, whose dangers, they said, stemmed from the fact that the "Zionist enemy" has his fist clenched around the administered territories.

There was no mention in the communique of Syria's quest to obtain a Soviet anti-aircraft network

for Jordan, to make up for the Hawk missile-deal which American President Richard Nixon failed to clinch with Washington. The topic was earlier reported high on the Assad-Hussein agenda. A top-level Soviet delegation headed by Moscow's Deputy Defence Minister and Air Force Commander is due in Jordan later this month.

The communique also made no reference to the UN force on the Golan, whose mandate is due to expire at the end of this month.

Syria's Minister of Information, Ahmed Iskandar Ahmed, had earlier said his government will not renew the UN mandate "without conditions."

He said Damascus insisted on acceptance by Jerusalem as well as by Washington of a complete withdrawal to the pre-1967 war frontiers and of the "legitimate national rights of the Palestine people."

Meanwhile, Egyptian Foreign Minister Ismail Fahmy last night announced that he would meet in Riyadh next week with the Prime Ministers of Egypt, Syria, Kuwait and Saudi Arabia to prepare a summit meeting of their countries' leaders.

The Saudi Arabian and Kuwaiti Foreign Ministers had earlier been reported to be seeking to coordinate Syria's and Egypt's attitudes on the UN presence and on the Middle East conflict in general. Syria's relations with Egypt have been strained ever since Cairo signed the Sinai interim agreement with Israel last September. The Saudi Arabian and Kuwaiti ministers conferred yesterday with Egyptian President Anwar Sadat in Cairo to where they flew on Sunday night from Damascus.

## Fierce fighting in Mt. Lebanon

POST Middle East Affairs Correspondent

and Agencies

**FIGHTING FLARED** anew in Beirut and Lebanon's eastern mountain areas yesterday, hurting chances for a reconciliation between leftist forces and the regime under President-elect Elias Sarkis.

Clashes were reported in downtown Beirut, several mountain villages, and the northern port city of Tripoli. In Tripoli, pro-Iraqi leftists were said to be locked in savage battles with Christian and Moslem supporters of Sarkis, which had sponsored the election of Sarkis, the head of Lebanon's state bank. (The new President, who was elected by parliament in Saturday, is scheduled to take over officially this week, once President Suleiman Franjeh formally resigns.)

Yesterday's fiercest battles were reported from around the eastern towns of Aintourah and Einshin, where Christian militias were trying to dislodge leftists from six villages. Earlier reports yesterday said Palestine Liberation Organisation chief Yasser Arafat had ordered his Fatah group into action to help the leftists against the Christians. A spokesman for Arafat charged that the Christian forces were being supported by Lebanese army tanks and helicopters. Another leftist spokesman said the Christians were also being backed up by Syrian-controlled "Sa'eka" terrorists, and that Syrian regulars were blocking reinforcement of the six villages with men and arms.

Christian spokesmen said the assault was commanded by Colonel Antoine Barakat, a Maronite who

has seized control of all three army garrisons in the Mount Lebanon area. Sources in Lebanon's disintegrated 16,000-man army say Barakat has at least 80 tanks and 120 armoured cars under his command.

Meanwhile, the Beirut newspaper "An-Nahar" said Sa'eka troops had set up roadblocks on the southeastern edge of Beirut overnight.

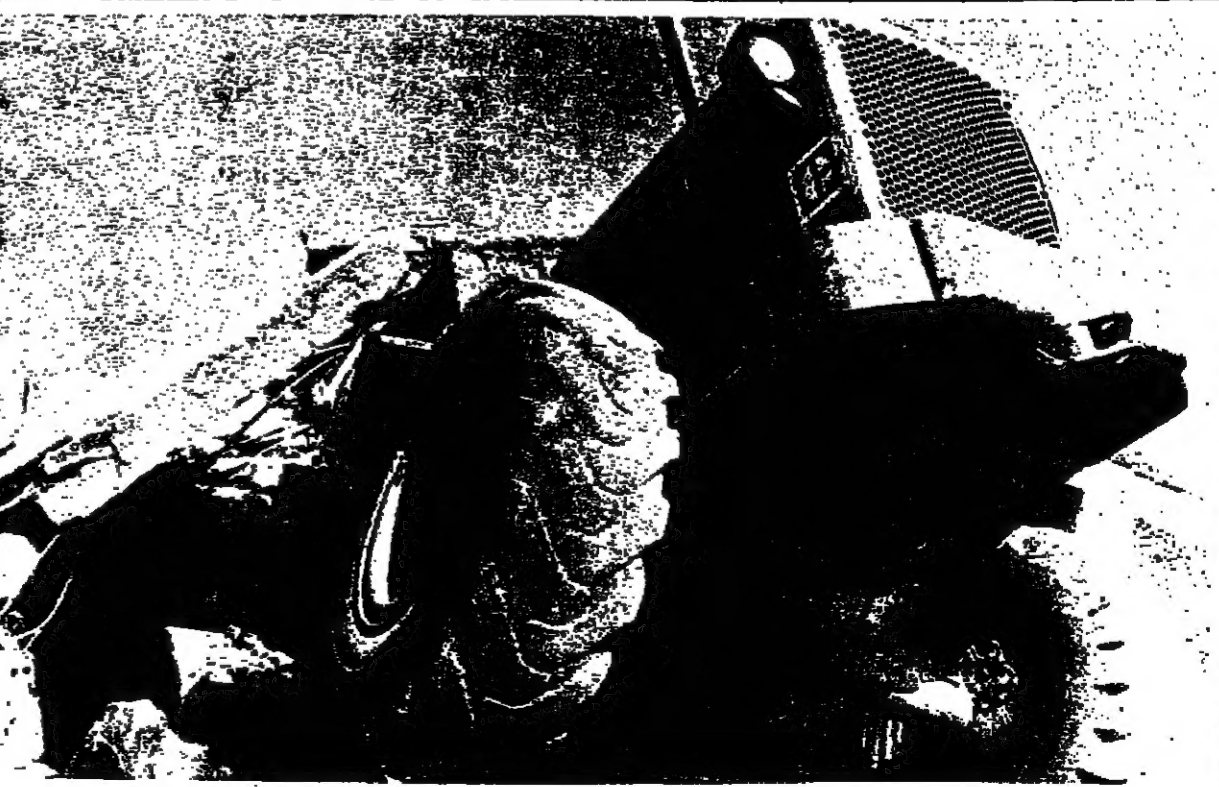
A government source said the Sa'eka force in Beirut — estimated at 1,000 — had also blocked reinforcement of the fashionable summer resort of Aley, where leftist leader Kamal Jumblatt's headquarters came under heavy Christian bombardment.

President-elect Sarkis had telephone talks with Arafat overnight in an attempt to arrest the new mountain fighting, that had also touched off a heavy artillery duel between Beirut's Christian and leftist-controlled Moslem districts.

Police reported 87 persons killed and 101 wounded after midnight in Beirut, Mount Lebanon and in Tripoli.

## Abundant wheat crop in U.S.

**WASHINGTON.** — The Agriculture Department yesterday estimated that the U.S. 1976 winter-wheat crop will be down 12 per cent from last year's record — but still the second biggest in history. The Department said the 1,459m. bushels it expects — 192m. less than last year — will still be enough to promise abundant supplies and stable prices. The cause of the drop was a fall and winter drought in the Southwest. (UPI)



## Rioting in Jaffa against demolitions

By SARAH HONG

Jerusalem Post Reporter

**TEL AVIV.** — Scores of Maronite residents of Jaffa rioted violently all day long yesterday following an attempt by municipal inspectors to tear down two illegally constructed edifices. Six members of the police force and four municipal inspectors

were slightly hurt by stones and bottles thrown by the mob. By sundown, quiet descended on Rehov Ma'apil Salvador where the disturbances took place, although there was some tension.

The trouble started at 9 in the morning when six municipal inspectors accompanied by two police men set out to tear down the 110 square metre garage put up by Zakak Salim and the 300 square metre warehouse built by Fanus Yana, both without permits. The eight men were attacked by dozens of local residents wielding hammers and throwing all they could get their hands on. The mob attempted to set fire to a gas container and to a bulldozer. They damaged the inspectors' vehicles.

Police, reinforced by border police units, were sent to quell the riot and seven persons were arrested.

et. Policemen remain in the area and are on the alert. A municipal bulldozer later knocked down the illegal warehouse. In the process, the roof caved in and the operator was rushed to hospital in a state of shock. A municipal spokesman stated later that the garage will be removed as well.

Mayor Shalom Lahat said later that the demolition had been carried out in accordance with a court order. This had been secured following a six-month period of grace to enable the bulldozers to apply for permit. They did not bother doing so, he said.

Mayor Lahat noted that his get-tough policy against unauthorized construction was not discriminatory. That very morning a penthouse put up in Ramat Aviv without 8 per cent was torn down. "Just as I would fight for the rights of a

minority, so I would fight to make sure that they obey the law," the mayor stressed.

At noon, Rakah MK Tawfik Toubi telephone Councillor Arye Krenmer, who is in charge of municipal inspectors, and according to a municipality spokesman, warned him that unless municipal policy were altered, Tel Aviv would witness more violence.

Christian community leaders in Jaffa last night apologized for the behaviour of young people which led to the melee.

An official message said: "We are grateful to the Jaffa police for their restraint and patience towards the civilians, and we regret the injury to police and civilians. Fitting behaviour on the part of police prevented the violent encounter from spreading."

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## Rabinowitz at opening of Knesset summer session Unemployment up, also spending

By AARON SEITNER  
Jerusalem Post Reporter

Finance Minister Yehoshua Rabinowitz told the Knesset yesterday that despite the various austerity measures introduced by the Government since 1974, private consumption was on the rise again, and "the number of persons applying for jobs at the labour exchanges has risen by 11 per cent in the first quarter of this year."

Opening the Knesset's summer session, Mr. Rabinowitz gave a brisk but detailed "review of Treasury activities."

On prices, he stated: "In the first nine months of last year the retail price level rose on the average by 1.2 per cent a month. In October and November, they spiked by 10 per cent, following a series of Government fiscal measures. Then, in December, January and February the upward advance was again arrested and stood at approximately one per cent a month. However, in March we witnessed a resumption of the climb, and prices soared by 3.6 per cent."

Mr. Rabinowitz also reported that agricultural exports in the first three months of this year were up by 30 per cent, compared with a growth of 45 per cent during the whole of 1975.

Another bit of bleak news, he said, was that industrial investment was down even as Treasury experts were trying to update the Law of Encouragement of Capital Investment.

"But the most critical problem we face," he asserted, "is the growing rise in private consumption."

It actually fell by three per cent during last year. But this year it has again begun to rise, and that's bad, very bad."

After Mr. Rabinowitz' review, the first speaker, Likud M.K. Yehoshua Floumin took the rostrum to back the speech point by point. He concluded by turning to the Finance Minister (who by the time was standing at the doorway to the foyer) and shouting: "If indeed, Mr. Minister, you find it impossible to manage the affairs of the Treasury, as is very evident from its performance recently, then you should face the facts on a personal level and resign forthwith."

Mr. Floumin concurred with the Finance Minister's assessment of the nation's economic situation. But he attributed it all to the Alignment's mismanagement of affairs. Mr. Floumin quoted from a section of yesterday morning's radio news magazine, in which an "internal memorandum prepared by high-ranking officials in the Treasury's Budget Division" reportedly forecast unemployment exceeding 100,000 in the year to come, plus a drop in foreign currency reserves to below the danger line.

"The whole economy is facing imminent collapse," Floumin insisted. "The country's finances are being managed by inept persons, and an IL\$800m. budget deficit this year seems likely. Mr. Rabinowitz has promised to cut back Government spending. Well, how many Government workers have been transferred to industrial jobs? According to figures I've seen, you have actually added workers to the civil service."

Coming to Rabinowitz' defence was Yisrael Kargman of the Alignment, chairman of the powerful Finance Committee. Mr. Rabinowitz' troubles, said the Labour M.K., were all due to the back-breaking expense of supporting the country's massive security requirements. "What other country," he asked, "spends 35 per cent of its Gross National Product and half of its state budget on defence?"

If Israel's security costs would be on par percentage-wise, with those of European countries, we would be economically independent in five or six years, he said.

On the practical side, Mr. Kargman attributed a large part of the Treasury's revenue raising difficulties to the fact that the overwhelming majority of Israel's self-employed citizens fail to keep books. Unless this attitude changes, the Value Added Tax, already on the books, would never become a reality, he warned.

Other comments on the Treasury's performance were:

- Shlomo Lorincz (Aguda-Poalei Aguda): There was nothing new in the radio revelation. Knowledgeable people knew that the situation is even worse than reported.

- Yitzhak Golan (ILP): The State Budget must be cut by three per cent in view of recent economic developments.

- Avraham Melamed (NRP): The Treasury should become "more involved" in the workings of the defence establishment since its budget comprises half the state budget.

- Salman Shoval (Likud): The Government is without backbone — not only in the diplomatic sphere but in economic affairs too.



Distorted Knesset session is the work of Tel Aviv artist Moshe Mishan, who created a mirror-image of our Knesset at work with the use of 120 chairs (one for each Knesset Member). He poses beside his creation, set up yesterday across a field from the Knesset building, which is reflected in mirrors behind the sculpture, entitled "Chair Day." (Rahamim Israeli)

## Rabin predicts quiet till '77 if Undof renewed

Jerusalem Post Knesset Reporter

Premier Yitzhak Rabin said yesterday that if Israel weathered this month's deadline for the renewal of the UNDOF mandate on the Golan Heights without trouble, it could look forward to several months without significant diplomatic activity until a new President is installed in Washington.

Speaking at the Alignment faction executive, Rabin said this period till the beginning of 1977 should be used to tackle urgent domestic problems.

He said that whatever President enters the White House, the Middle East would become a central political issue, and Israel must prepare for that challenge.

## Taxmen's sanctions delay VAT

Jerusalem Post Reporter

TEL AVIV. — Measures to catch tax evaders and to implement the Value Added Tax will be delayed as result of sanctions by tax collectors, but the partial strike will not affect current service to the public.

The 8,000 tax collectors, and employees in National Insurance branches, yielded to the decision to abolish their specific allowances. But they are now demanding that all public servants in the same grade receive the same pay.

"We're willing to go along with the government if it can't increase salaries," Yitzhak Mann, who represents the customs officials, told The Jerusalem Post last night. "But then the principle of equal pay for equal work should be implemented throughout the public service."

Mann complained that employees of the Bank of Israel, the State Comptroller's Office and the universities, for example, receive more money or other benefits than civil servants. Knesset employees receive a 10 per cent parliamentary allowance, he said.

The Finance Ministry's director general Arnon Gefni will meet works committee leaders today in an attempt to put an end to the sanctions.

## Terrorists kill 'traitors' who fled to Israel

Jerusalem Post Staff

Two Lebanese civil war refugees who were among the first to cross the border into Israel were reported killed by terrorists after they returned to their native village.

Lebanese terrorists claimed to have shot a number of such refugees. But the report from a resident of the same village who recently reached Israel was the first confirmation of the identity of two of those killed.

The two refugees crossed the border soon after Defence Minister Shimon Peres had announced Israel would receive those who wanted to come. They spent time in Qana, Galilee, and then moved to Haifa, where the men, a baker and a driver, were employed in their respective trades.

After two months in Israel, the refugees returned to Lebanon to bring their families back across the border to Israel. On their return, they were killed by terrorists, who regarded them as traitors.

**Killed by Netanya train**  
NETANYA. — Moshe Karniel, 63, of this city, was killed by a passenger train yesterday. The accident occurred at 2 p.m., one kilometre north of the Netanya junction.

## Comptroller

(Continued from page one)

profit margin on the banks' transactions with the Government. The high profits have been a focal point of the comptroller's reports in the last few years.

Among the measures taken are:

- Increasing the interest on medium-term government loans whose source is in foreign currency from 22-24 per cent.
- Increasing the interest on mortgages over a period of time.

- The money gained from redeeming government loans will be deposited immediately with the Treasury.
- Computerizing all accountant balances concerning linkage payments.
- Reducing the linkage on government bonds to 90 per cent, with the intention on reducing it eventually to 70 per cent.

## Snag delays new tourism currency regulations

Jerusalem Post Staff

There is a snag in the enforcement of new regulations allowing travel agents to open special bank accounts for foreign currency payments by tourists abroad who buy package tours to Israel, agents have complained.

According to the regulations, agents who open such accounts would be able to pay for their clients' hotel accommodation in Israeli pounds, with the client eligible for exemptions from local taxes like those granted for direct payment in foreign currency.

The regulations were drawn up by the Treasury in conjunction with the Tourism Ministry, and it was announced in April that they were to be effective as of May 1, 1976.

The snag is that the banks were apparently not prepared for the new procedure and, according to the

head of one large Tel Aviv travel agency, "knew nothing about it."

As a result, the new regulations are now due to take effect on May 15. Yesterday it was still not clear whether their enforcement required prior approval by the Knesset — is now being claimed by Treasury sources — or by administrative order from the Treasury, as the Tourism Ministry contends.

There is also misunderstanding about which services may be purchased in Israeli pounds against special accounts. The original announcement referred only to hotel expenses. However, workers in various branches of the tourist industry believe that the regulations apply to payment for ground services such as tours and car rentals.

Tourists who paid for ground services directly in foreign currency were in the past also exempt from local taxes.

## Israel doing well in world bridge olympiad

By TANNAH HIRSCH  
Special to The Jerusalem Post

MONTE CARLO. — Israel's teams continued to do well in the fifth world bridge team olympiad.

In the open series, Israel kept pace with the leaders. After defeating the strong Canadian team in the end round by a score of 14-6, the Israelis had to be content with splitting the points 10-10 in the third round.

In the fourth round, however, Israel broke through to crush Venezuela, taking all 20 victory points from the encounter.

The ladies team did well to recover from a first-half deficit against the strong Australian women's team, champions of the Far East zone, and win a close match by a score of 11-9. In their second match, Israel defeated Sweden 17-3.

Heading scores after 4 rounds (open) were Sweden 80, Switzerland 73, Britain 72, Brazil 67, Morocco 66, Israel, Argentina 62, Ott scores were Italy 61; France 51, U.S.A. 27.

Earlier, in the tournament, Israel crushed Indonesia in the first round of play, taking 19 of a possible victory points.

There were two major surprises in the first round. Italy, shaken by losing the Bermuda to the North Americans, were downscored 17-3 by lowly Finland. A new world champion U.S. squad had its work cut out to edge the powerful Polish squad 11-9.

There are 42 teams entered in the open division and 22 in ladies'. Play continues through Saturday, with each team playing every other one during the competition.

## Schools dirty and neglected, Tirat Carmel parents complain

By YA'AOOV FRIEDLER  
Jerusalem Post Reporter

HAIFA. — Dirty schools and schoolyards, schoolyards turned into quagmires in winter, overcrowded classrooms which could not be re-heated of their excess pupils in a nearby empty school-building for "reasons of party politics" — these were some of the charges levelled by the Tirat Carmel parents' committee at a press conference yesterday.

The parents called for removing the local education set-up from the council's jurisdiction and transferring it to governmental control.

Parent spokesmen claimed that the local council chairman were regularly deposed owing to political intrigues, and that the town had proved itself utterly incapable of running its education system, which comprises over 4,000 children in eight schools and 41 kindergartens. Other complaints were a bad shortage of lavatories, of which the existing ones were in a "disgustingly dirty" state, leaking roofs, impaired electric wiring and insufficient heating.

## Slack season begins at Haifa port

Jerusalem Post Reporter

HAIFA. — Underemployment developed in the port yesterday, only a few days after the completion of the citrus export season. Several dozen stevedores were idled as the situation is expected to worsen during the week, as few ships are due to replace the 13 now being discharged and loaded.

The port spokesman told The Jerusalem Post that from Sunday the stevedores have agreed to take their annual leave in groups of 60 to 70, to alleviate the unemployment during the slack season.

Ariela and Ami Giniger  
are happy to announce the birth of a  
daughter  
granddaughter to  
Esther Rubin  
and Judith and Meshulam Giniger

New York, May 9, 1976

Every purchaser of  
**COLORADO**  
Auto Seat Covers

will receive a gift:  
a de luxe steering wheel cover from Italy.

URI LEVIN, 23 Rehov Moholiver, Tel Aviv, Tel. 50829.  
Adjacent parking. Fitting on the spot.

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TASTES GREAT  
SMOKES MILD  
*They Satisfy*

## THE WEATHER

Forecast: Fair with slight rise in temperature.  
Weather synopsis: Weak ridge developing over east Mediterranean.

Yesterday's Humidity	Yesterday's Min-Max	Today's Min-Max
Jerusalem 54	13-24	12-26
Golan 72	13-25	13-27
Nahariya 72	13-25	13-27
Safed 53	14-24	13-26
Haifa Port 50	20-24	19-26
Tiberias 50	18-23	17-25
Nazareth 51	15-26	14-28
Afula 46	15-28	15-30
Shomron 46	14-24	13-26
Tel Aviv 71	18-24	17-26
B.G. Airport 49	16-27	15-29
Jericho 39	17-22	16-24
Be'er Sheva 38	18-23	17-25
Beerseba 31	16-29	15-32
Eilat 26	22-36	21-37
Tiran Straits 20	24-33	23-35

## Social and Personal

President Ephraim Katzir yesterday received Dr. Eduardo Frei, former president of Chile.

Dr. Frei later called on Knesset Speaker Yisrael Yeshayahu.

Siegfried Bleicher, the deputy chairman of trade unions in North Rhine Westphalia, in the Federal Republic of Germany, and Alfred Rohm, head of the unions' cultural activities, yesterday called on Knesset Speaker Yisrael Yeshayahu, leading a delegation of 20. Uri Alpert, secretary of the Tel Aviv Labour Council, presented the visitors, who are in Israel as guests of the Council.

An Israel Bond Boston Delegation yesterday met with Foreign Minister Yigal Allon at the Hilton Hotel in Jerusalem. Earlier, the delegation called on Avraham Harman, president of the Hebrew University, and in the evening it met with the Prime Minister's Adviser, Yehuda Avner.

The Minister of Religious Affairs, Yitzhak Raphael, yesterday received the Rumanian ambassador, Ian Kovacs.

Former Prime Minister Golda Meir yesterday addressed the 50th anniversary conference of the Pioneer Women at the Hilton Hotel in Tel Aviv.

The National Conference of the Oriental Society, a professional organization of Middle East experts, is concluding a two-day meeting in Haifa today. Ezer Weizman, Ya'acov Hazan and Moshe Carmel will discuss the emergence of the State of Israel in the mandatory period, with references to Israel today, at a symposium in the Haifa Auditorium at 6 p.m.

Mr. Henk Beerboom, adviser to the Dutch Prime Minister, was received yesterday by Amos Eran, director-general of the Prime Minister's Office.

Ya'acov Hazma, editor of "Al-Anba," will speak on Arab affairs at Jerusalem's Vocal Newspaper in Beit Ha'am, on Friday night at 8:45 p.m. Other speakers will be Raoul Teltebaum, of "Yediot Ahronot," and Shalom Kital, of Israel Radio.

"Famous Jews in American Sports" is the subject of a talk (in Hebrew) accompanied by films, to be delivered by Dr. Uriel Zimri of the Wingate Institute at 8:30 p.m. today at the ZOA House in Tel Aviv. The programme is part of ZOA House's schedule of events marking the U.S. Bicentenary.

## DEPARTURES

Histadrut Secretary-General Teruhim Meisel, to Manila for the eleventh session of the Asian Regional Organization of the International Confederation of Free Trade Unions.

We deeply mourn the death in Cincinnati of the head of our family  
**Rabbi HYMAN J. COHEN**

(West New York, N. Jersey, Cincinnati, Ohio)

Wife, Beatrice Fisher Cohen  
Children, Albert (Elihanan) and Aviva Cohen, Herdylis  
Elinor and William Ziv, Cincinnati  
Louise and Alan Wolf, Cincinnati and grandchildren

Shiva at 7810 Stillwell Rd., Cincinnati, Ohio 45237, U.S.A.

We deeply mourn the passing of my beloved husband,  
our father, father-in-law and grandfather  
**ADOLF (Avraham) MUHLGAY**

The cortege will leave today, Tuesday, May 11, at 3 p.m., from the Municipal Funeral Parlour, 5 Rehov Dafna, Tel Aviv, for the cemetery in Kiryat Shaul.

Mourners:

Nanny Muhlgay  
Bernard and Roma Muhlgay  
Walter and Vivian Muhlgay and grandchildren

Shiva in Tel Aviv, 11 Rehov Yehoshua

AGRICULTURAL RESEARCH ORGANIZATION  
The Volcani Centre, Beit Dagan shares the sorrow of  
Prof. Mina Schiffmann-Nadel on the death of her  
**SISTER**

Institute for Technology and Storage of Agricultural Products

We mourn the death of our friend  
**GIL (Kay) BEN-ZVI**

Beit Netura

To mark the 30th day after the passing of

**Rav-Aluf DAVID (Dado) ELAZAR**

Monday, May 17, 1976:

3.00 p.m. Visit to the grave on Mt. Herzl.  
Comrades and friends are invited to participate.

8.30 p.m. Memorial evening at the Mann Auditorium, Tel Aviv.  
Entrance by invitation, available from offices of the Information Centre:

Tel Aviv: 6 Rehov Kaplan, Events Department  
Jerusalem: Prime Minister's Office, 6th Floor, Room 720  
Haifa: 5 Rehov Ahad Ha'am  
Beersheba: Mercat Hanegev Building

The tombstone of our dearly beloved  
**THERESA ZIPPORA RYNESS**

will be dedicated on Thursday, May 13.  
We shall meet at the main gate of Holon cemetery at 3.30 p.m.

A special bus will leave from 86 Rehov Ben Yehuda (near Ihud Zion Synagogue) at 3.00 p.m.

Families: Eve, Itamar and Weissbren  
Zev, Rivka Joey and Sammy Ryness  
Nancy Hamilton  
Josie and Bill Ingie  
Her relatives in Israel and England  
Her many friends and volunteer co-workers



## Reports of oil strike in Sinai are denied

By ZEEV SCHUL  
Jerusalem Post Reporter

TEL AVIV. — Reports of an oil strike in Sinai were denied yesterday by a reliable source in Israeli oil prospecting. The source branded the reports — which were widely circulated in Israel and abroad this week — as "irresponsible."

Traces of asphalt and non-recoverable oil were found in hit-or-miss drilling near E-Tur ("Yoram One") about two years ago the source said. But that was as close as drillers had come to new oil discoveries in the area to date.

The American consortium of oil prospecting companies currently involved in new projects in the area is believed to be concentrating its efforts in the E-Tur — Eas Garra area. This faces the Al Morgan underwater oilfield on the Egyptian side, the richest discovery ever made in the Gulf of Suez.

The source believed there were fair prospects for discovering new commercially exploitable oilfields, but stressed that even a single gusher strike was still far from proof of an oilfield. Even when a gusher is hit, a considerable number of ad-

ditional exploratory holes have to be sunk to determine the extent, depth and reserves of any oil-bearing strata.

At least four foreign companies are now engaged in prospecting activities, including preliminary seismic soundings of their respective concession areas. The largest concession is held by a merger of four firms headed by Belco.

This group includes Max Fisher, the prominent Detroit industrialist, Republican and Zionist.

A second group is headed by William Levitt, the famous American builder, who filed a suit against the State of Israel after it cancelled his Midbar Company concessions and has now been compensated with new areas in Sinai.

Lapidot, the Israel Oil Drilling Company, has recently received a deep-drilling rig capable of penetrating more than 6,000 metres. The rig will be used to explore the previously inaccessible layers at the edges of the Heletz oilfield, near Kibbutz Or Haner.

Other areas now being surveyed are the El Arish dunes and the northern offshore areas of the Bardawil Lagoon.



Residents of Mea Shearim in Jerusalem browse their own (religious) book fair which opened yesterday. The National Book Fair opens tomorrow in some 30 Israeli cities and towns. (Baraklay)

## Kahane warns: 'Kidnappings or worse' for Soviet diplomats

By SARAH BONIG  
Jerusalem Post Reporter

TEL AVIV. — Rabbi Meir Kahane yesterday warned against a possible escalation in the harassment of Soviet diplomats in the U.S. and Europe, "involving kidnappings and possibly worse," if the U.S. does not take a tougher line on behalf of Soviet Jews.

Rabbi Kahane, former leader of the militant Jewish Defence League, was speaking at a press conference, along with former Soviet Jewish activists Sylvia Zalmanson and Prof. Alexander Temkin. The two came out in favour of violent action against the Soviets in the west, if all other methods of helping Soviet Jews fail. This is the first time that such renowned activists have come out publicly in support of Kahane's stand.

Kahane told reporters that following the press conference he would warn U.S. Embassy officials here of the danger in the escalation of violence against Soviet of-

ficials in the free world. Violence can be good to no one and we are pleading that this not be allowed to happen."

He said he would promise the U.S. officials that he himself would exert all his "influence" with members of the JDL and the "Jewish Armed Resistance" to refrain from violence if he is assured that the U.S. would take meaningful steps to help Russian Jews. He said he would present the officials with a list of prisoners of Zion and ask for U.S. intervention on their behalf.

Kahane contended "It is a myth to suppose that the Soviets care about public opinion. But they do care about the advantages they can reap from detente. They must be told that detente has a price."

He denied that he has any knowledge about the "Jewish Armed Resistance" and flatly denied reports in the U.S. that a "contract" had ever been put out by the JDL against Yasser Arafat.

Former Prisoner of Zion Sylvia Zalmanson, whose husband and three brothers are still in Soviet jails, told the press: "It is wrong to condemn violent actions against Soviet diplomats. Victims have a legal and moral right to self-defence with whatever means at their disposal. My own liberation was in no small part due to such actions."

Prof. Temkin, who three years ago in Moscow was forcibly separated from his daughter Marina, now 17, said that all of his legal attempts to enable her to at least receive mail or phone calls from him have been to no avail.

Avraham Sorkiranski, a Jerusalem engineer, has been separated from his sons Giorgi, 24, and Alexander, 20, for the past 23 years. He told reporters that his sons are being imprisoned for their desire to join him. Since Sorkiranski is considered a defector from the USSR, the Soviets say that if he wants to see his sons, he must return.

## Accused killer of Jaffa youth admits charges

TEL AVIV. — In a surprise move yesterday, defence attorneys for 31-year-old Zion Ben-Simon admitted to the murder charge against him. The accused had been indicted for the murder of Claude Elbaz 18, of Jaffa last March. The admission was made in Tel Aviv's District Court.

The prosecution charges that Ben-Simon had arrived at the Elbaz home late on the night of March 8, seeking Claude's brother, Yitzhak, whom he suspected of raping his sister. Elbaz denied this. Ben-Simon then left ostensibly to bring his sister, but returned with a gun instead.

Elbaz was shot by Ben-Simon while trying to flee. He died later in the operating table in Donolo Hospital, the charges say.

Handing down a sentence was postponed to enable a probation officer to prepare a report on the character of the accused. (Itim)

## Rape suspect acquitted, 'victim' held

TEL AVIV. — A 28-year-old man was acquitted of a rape charge in the District Court here yesterday, and the "victim" was arrested for perjury.

Daniel Abutbul of Moshav Ma'ash was on trial for raping the woman on the sands of Bat Yam in September 1974. According to her original story, she had gone with the accused and his friend to a Dizengoff cafe. She later left with Abutbul, who she claimed tried to take her to a hotel. When she refused, she said, he had beaten her and raped her.

At the trial, the woman denied any connection with Abutbul and was pronounced a hostile witness. She asked to testify again, but when her second testimony also contradicted her original complaint, the court ordered her placed under arrest. (Itim)

## Marine officers represented in Honolulu court

Jerusalem Post Reporter

HAIFA. — The Marine Officers Union will be represented by a Haifa lawyer at the hearing on the fate of the Maritime Fruit Carriers refrigeration ship, Mardianore, which is due to open in a Honolulu court today.

Union secretary Adam Chisik told the Post that the lawyer had been instructed by telephone to do everything possible to delay decision on his sale of the ship. Meanwhile the Union will work for the purchase of the ship by an Israeli buyer,

and exert pressure on the Government.

The Mardianore Core is one of eight refrigeration ships owned by the Maritime Fruit Carriers company, which is in liquidity difficulties. A U.S. bank, which is one of the company's creditors, obtained an attachment order against the ship in Honolulu. The Union fears that if the ship is sold to a foreign company, the way will be open for the sale of the other seven, which would mean a loss of 250 berths for Israeli seamen.

## Fish exports hit \$1m.

Jerusalem Post Reporter

HAIFA. — Fish exports, which increased from \$377,000 in 1974 to \$1m. in 1975, are expected to total \$2m. this year, according to Fritz Talman, director of Tnuva's fish processing plant here.

The 1975 exports, all of which were sent to Europe and Iran, included 220 tons of carp and silver carp from fish ponds, 120 tons of sea fish from Bardawil, and 55 tons of shrimp and squid. In addition, an Israeli exporter shipped about 350 tons of sea fish abroad.

## DEBTORS' FOES ON STRIKE

The bailiffs in the Jerusalem process-servers' office have been refusing to carry out seizure orders against debtors' property for the past month, to press their demand for higher travel allowances.

The bailiffs say the present allotment is so low that they have to make up a large part of the cost of their trips to sequester property out of their own pockets. They claim that repeated requests to have their expense money raised to the level set elsewhere in Israel have gone unanswered.

## Computers help cities keep records straight

By ABRAHAM RABINOVICH  
Jerusalem Post Reporter

Can computers bring happiness to the masses?

If happiness means having your garbage picked up regularly and getting accurate bills for municipal services, an affirmative answer was given yesterday in Jerusalem with the opening of the International Forum on Data Bases in Local Government.

Three hundred delegates, 100 of them from abroad, are attending the three-day conference organized by the Ministry of Interior, Union of Local Authorities and the Local Government Automation Corporation.

Shalom Rotem of the Interior Ministry noted in an interview that 800,000 water bills for all of Israel's households are now churned out through a central computer in 24 hours, something which had taken

two months of intensive clerical work before computers entered the picture eight years ago.

By taking over the processing of budgets, bookkeeping of current accounts and other chores from local authorities, the central computer — located in Tel Aviv — permits many of the smaller authorities to keep their independent status, Rotem said. "There aren't enough accountants for all the local authorities to have their own," he said.

Computers are increasingly coming into use on the local government level not only to keep records straight but to rationalize services ranging from library book lending to garbage collection.

One of the principal purposes of the conference is to permit Israeli officials to acquaint themselves with developments abroad. The conference opening was addressed by Interior Minister Dr. Yosef Burg.

## Copyright experts meet in Jlem

Jerusalem Post Staff

Twenty-four leading copyright lawyers representing the world's artists — the legal commission of the International Confederation of Authors' and Composers' Societies — will assemble today at Jerusalem's Plaza Hotel for two days of talks. Major topics will be the loss of rights caused by satellite transmission of TV tapes and by partial or total reproduction of books carried out in libraries.

Of the three Eastern Bloc countries among the 12 represented on the commission, only experts from Poland have shown up. The Soviets announced that their representative could not come because "there is shooting in the region," and the Hungarians fell sick at the last moment.

Speaking in Tel Aviv yesterday on the impending meeting, Menachem Avdon, head of the Israel Society for Copyright Protection (ACUM), said that copyright laws here are long out of date. He noted that they are based on the British law of 1911.

## 3 get jail terms in village feud

HAIFA. — Sentences ranging from two to 10 years' imprisonment were handed down in the District Court here yesterday against three residents of Kibbutz village near Acre.

The three are: Ahmed Hamoud, 45, who was given 10 years for having shot to death 11-year-old Mohammed Hassan Rian of the village; Mohammed Ziad, 32, and Ahmed Ziad Hamoud, 47, who received sen-

tences of three and two years respectively for causing severe bodily injury to 14 of the village's residents.

The incident, which occurred last July, began as a children's quarrel and developed into an inter-family feud.

The court rejected the defence claim that Hamoud had shot in self-defence. (Itim)

## Northern border settlers can get large grants

Jerusalem Post Reporter

SHLOMI. — The Housing Ministry will extend IL183,000 in housing credits and grants to any family ready to move into a border township such as Shlomi, Director-General David Weinshall announced on Sunday.

Under the scheme, to go into effect in July, the ministry will extend IL120,000 as a mortgage, IL35,000 in the form of a "standing loan," which is not repayable as long as the recipient lives in the flat, and IL28,000 as an outright grant, to cover the cost of a security room.

Bachelors will get the same terms, but with a mortgage of IL55,000, Weinshall told the visiting Labour Committee of the Knesset. He stressed that the aid would be extended regardless of the applicant's income, to attract settlers to Galilee.

The committee members had come to attend the cornerstone laying for a IL2.5m. ministry-financed supermarket and banquet hall.

At Ma'alot, they were told, professionals whose skills were needed could get housing aid totalling IL130,000, or a rental flat with a purchase option. Over 1,000 apartments are now being built in the township.

**"GAN"**  
APARTMENTS  
IN PETAH-TIKVA  
ARE THE BEST  
FOR LIVING  
AND INVESTING  
"15"

## Prosecutors told to demand stiffer fines

State Attorney Gabriel Bach has instructed state government prosecutors to demand fines for lawbreakers who have derived personal benefit or profit from their crimes.

Although the present law authorizes the courts to levy a maximum fine of up to three times the amount of money received illegally, there have been cases recently, according to Bach, where the courts have decreed no fine at all or a sum below the amount of illegal profit.

This has created a situation, says Bach, in which it seems that crime does in fact pay. (Itim)



Early 19th century French porcelain from the John Simon collection goes on display in the Israel Museum's new Empire Room tomorrow.

## Israel Museum's annual prizes

By MEIR BONNEN  
Jerusalem Post Art Editor

The International Board of Governors of the Israel Museum marked its eleventh annual session in Jerusalem last night with a dinner at the Museum followed by presentation of its annual prizes. At ceremonies led by the Chairman of the International Board, Baron Edmond de Rothschild, the title "Honorary Fellow" was bestowed on Georges Bloch of Paris.

This year's Sandberg Prize of Israel Art was shared by abstract-expressionist Aviva Uri and abstract-impressionist Avigdor Stematsky. The Kolliner Prize for a Young Israeli Artist went to a conceptualist who works largely with photographs, Moti Mizrahi. The Dworakowski Prize for Design went to Israel Dignitons Ltd. for their "Digital 5000" FM turner, designed by Avraham Leha-

vi. The Kavlin Photography Grant went to Dahlia Amotz-Weislieb. The Sandberg Prize for Research and Development was not awarded this year, by unanimous opinions of the judges.

This evening, the Museum unveils the Sam and Ayala Zacks collection (see p. 5). On Wednesday it will open the French "Empire" room, designed and donated by Henri Samuel. The room contains a valuable collection of Empire (early 19th century) porcelain from John Simon of Lausanne.

A NEW EDUCATIONAL complex, comprising two junior high schools and costing some IL7m, will be constructed in Gedera, local council head Yosef Grafi said last week. The complex will also include a sports and cultural centre costing an additional IL5m.

Today, Tuesday, May, 11, 1976

**AUCTION No. 57**  
will be held at 8 p.m.

The auction will be held in the sales hall, 14 Kikar Kedumim, Old Jaffa, Tel. 235012. Entrance by the Gate Club. Fully air conditioned.

The articles to be auctioned will be on view Saturday, Sunday, Monday and Tuesday from 10 a.m. till 10 p.m.

Among items to be auctioned: Oils by Michonze, L. Niki, Lebanon, Litvinovskiy, Akbar, Ezzam, L. Levy; watercolours by Kestel, Lebanon, Jaber; Drawings by Kravetz; Sculpture by Polombo; collections of silverware, porcelain, crystal, jewellery, carpets.

## ISRAEL TENNIS CENTRE TENNIS CLINICS FOR LADIES

at the ISRAEL TENNIS CENTRE, Ramat Hasharon

Five one-hour group sessions

Instructions by Israeli Champion Paulina Peisachov

Beginners: May 13, 17, 19, 20, 21, from 9 to 10 a.m.

Intermediate: May 13, 17, 19, 20, 21 from 10.30 to 11.30 a.m.

Cost of five sessions — IL100.

For details call at the Israel Tennis Centre office, or phone Paulina Peisachov, 911101 after 8 p.m.

**Marlboro**  
FILTER CIGARETTES

**Come to the flavor of Marlboro**  
Marlboro, the number one selling cigarette in the world.

**BERNE**

**THE INSWISSEST TOWN**

When in Europe, don't miss the most typical town of Switzerland: Berne, the Capital. Israelis are heartily welcomed by the cordial and friendly Bernese. You will be enchanted by this unique and leisurely town.

The ideal place to stay in Berne is the BELLEVUE PALACE Hotel, the finest in town. You'll be welcomed with a hearty "Shalom" by a friendly, efficient staff and enjoy quality service in a distinguished atmosphere — at special rates for Israelis.

**SWISSAIR**



## Defence chief made marshal as Brezhnev buildup continues

MOSCOW. — The Soviet Union yesterday promoted its new Defence Minister, Gen. Dmitry F. Ustinov, to the rank of marshal.

At the same time, Leonid Brezhnev, general secretary of the Communist Party, also received his marshal's insignia in a Kremlin ceremony, Tass news agency said.

The ceremony was accompanied by a fresh outpouring of praise for Brezhnev, who wore his own marshal's uniform for the first time. Ustinov, a civilian defence industry expert until being made minister last month in place of the late marshal Andrei Grechko, had been given a general's rank to go with his new responsibilities.

Western analysts said his promotion and that of Brezhnev, who also had been a general in name, appeared to strengthen political control over the armed forces.

The promotion also removed the anomaly by which Ustinov was outranked by several of the military officers serving under him.

In reporting the promotion, Tass did not make it clear whether Ustinov or Brezhnev would have the effective command of the military. Grechko was commander-in-chief as well as Defence Minister.

President Nikolai Podgorny praised Brezhnev, saying the award of the rank of Marshal of the Soviet Union to the Party chief "is only natural," according to Tass. "The

development of the armed forces and the constant enhancement of their combat readiness have always held and continue to hold a place of priority in your many-faceted activity."

Podgorny said Brezhnev's "outstanding qualities as a political leader and wonderful human traits have earned you the love of the Soviet people."

Brezhnev was the first "civilian" since Josef Stalin to be given marshal's rank. At the same time, a bronze bust of Brezhnev was unveiled in his hometown of Dneprodzerzhinsk in the Ukraine.

It was the first such statue ever erected to Brezhnev and markedly increased the feeling among Westerners that a growing personality cult surrounds his name.

Brezhnev's new Defence Minister Ustinov, in an order of the day on Sunday marking the Allied victory over the Nazis, declared that the Soviet Union is now stronger than ever.

While paying tribute to détente, Ustinov warned about the consequences of a military build-up in the West. "Life shows that imperialism has not lost its aggressive essence, the militarist circles carry on the arms race, and the military might of the NATO bloc is building up," he said. (Agencies)

## Iranian jumbo crash kills 17

MADRID. — Army rescuers yesterday recovered 11 charred bodies from the wreckage of an Iranian air force Boeing 747 cargo jet which crashed on Sunday in a rainstorm on approach to Madrid airport, killing all 17 persons aboard.

An Iranian embassy spokesman in Madrid said the victims were mainly military men on their way to the U.S. for training. Two of their wives were among the dead, he said.

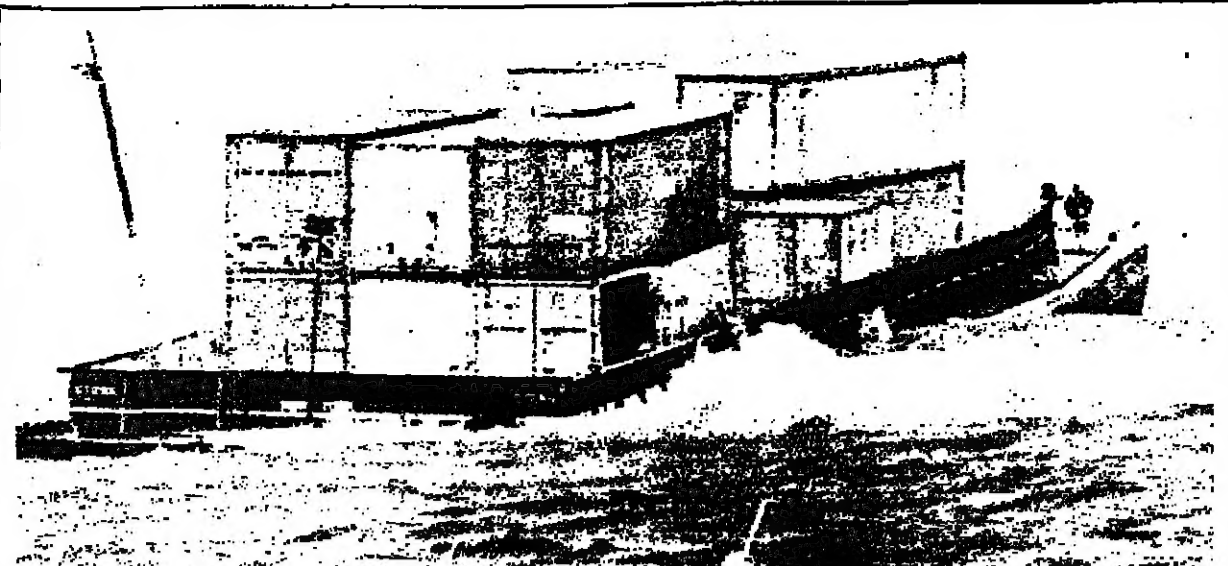
The dead included four Americans. Iranian sources described them as working with the Iranian air force and said they were crew members of the jumbo. The U.S. Embassy in Madrid said they were Boeing employees.

The spokesman said he did not

know what caused the in-flight explosion. Authorities said the crash was being investigated.

It was the second crash of a Boeing 747 since the huge plane was put into operation six years ago. Fifty-nine persons died in the crash of a German Boeing 747 while taking off from Nairobi airport a year and a half ago. (Reuters, UPI)

LANGUAGE. — British Lawmaker Charles Irving says he wants the Mother of Parliaments to clean up her language. "I have heard four letter words and I have heard people called rats, swine, pigs, twisters and cheats," he said on Sunday. "If the public could hear half of what goes on they would be appalled."



WINE FIND. — Four men, one armed with a rifle, were yesterday standing pat off Westport, Massachusetts, aboard this barge laden with French wine and foodstuffs, which they took over last week when its cable snapped as it was being towed to New York. The U.S. Coastguard has said it will not intervene until ownership of the cargo — which the men value at \$500,000 — is settled in court. (UPI telephoto)

## Bombs in France and Italy W. Germans deny Meinhof murdered

STUTTGART. — Justice authorities yesterday denied charges that Ulrike Meinhof, a leader of West Germany's anarchist Baader-Meinhof gang, had been murdered in her prison cell.

They said the 41-year-old leftist journalist had hanged herself with a towel early on Sunday in Stuttgart's Stammheim prison and there was no sign of foul play.

Meanwhile, bombs exploded in Italy and France, set off, according to police, by Meinhof sympathizers. Security was stepped up throughout West Germany for fear of terror acts by members of the Baader-Meinhof band who were still free.

A firebomb late on Sunday seriously damaged Toulouse's German cultural centre — the third bomb to hit German offices in France after Meinhof's death. In Rome yesterday, a bomb exploded in front of a German tourist agency.

Officials in Rome said a note was found claiming that the bomb was set off by a group calling itself "the Holger Meins anti-imperialist centre."

Holger Meins, a prominent member of the Baader-Meinhof gang, died 18 months ago after a hunger

strike in jail. Less than 24 hours later, West Berlin's chief judge was shot dead by gunmen claiming revenge.

The note said that "comrade Ulrike Meinhof has been barbarously killed in the German concentration camp of Stuttgart."

Meinhof had been on trial for almost a year, accused of involvement in bombings that killed five people in the late 1960s and early 1970s.

A defence lawyer in her trial, Otto Schilly, on Sunday demanded an international inquiry into her "alleged suicide." Another lawyer, Giovanni Capetti, said Meinhof, visited in prison on Friday, had not given the impression of "someone who had given up."

Meinhof's sister, Inge Winke-Zitzlaff, said "my sister once told me very clearly she never would commit suicide. She said if it ever were reported that she killed herself then I would know she had been murdered."

About 300 demonstrators took part in a protest march in West Berlin on Sunday. They carried placards reading "murder in jail!" (UPI, Reuters)

## Opec opens Paris meeting

PARIS. — Finance ministers of the oil-exporting nations began closed-door meetings here under heavy guard yesterday, reportedly to decide details of an \$800m. aid-fund for poor nations.

Venezuelan Finance Minister Hector Hurtado told newsmen after the first meeting, "We hope to complete our work by Tuesday."

Hurtado, who chairs the meeting of the 13-nation Organization of Petroleum Exporting Countries, said details of who will contribute how much, and who will get the aid, could not be revealed before completion of the conference.

Opec sources claimed aid to poorest nations will represent this year about one per cent of the oil-states' estimated income. This was far more than aid earmarked by the rich industrialized nations, which are falling well short of the target of 0.7 per cent of their gross national product, Opec sources said. (UPI)

## U.S. pleased by Unctad response

NAIROBI. — The U.S. has received a "quite encouraging" response at the UN Conference on Trade and Development to some of its proposals for helping poor nations, the U.S. delegation chief said yesterday.

Paul H. Boeker, Deputy Assistant Secretary of State, told a news conference that U.S. officials have heard from more than 50 nations on proposals outlined last week by Secretary of State Henry Kissinger, especially concerning Kissinger's proposals for speeding the introduction of Western technology into developing nations.

Boeker said there had however been some "apprehension and misunderstanding" over Kissinger's proposals on stabilizing commodity prices, because these differ from demands put forward by Third World nations. (UPI, AP)

## CABLES IN BRIEF

MONUMENT — Two days after protesters dumped a huge concrete block containing nuclear waste almost on the doorstep of Common Market headquarters, officials of both the Brussels police and the Common Market executive said they had no intention of doing anything about it. "It's a monument," said a police spokesman. He said the police would not test it for radioactivity.

BERGMAN — If Swedish general elections were held today the non-Socialist parties have enough strength to form a coalition government and put the socialists out of office for the first time in 44 years, according to a public opinion poll. Social Democratic Prime Minister Olof Palme said on Sunday his party's low support figures were partly due to the Ingmar Bergman tax affair, which he said was being exploited by parties of the "Right."

Meanwhile, in Philadelphia yesterday Rockefeller called for a return to strong presidential leadership in foreign affairs to meet what he called the threat of new Soviet imperialism. Speaking to the 25th general assembly of the International Press Institute, the Vice-President said congressional actions of recent years, had caused "serious repercussions" through usurping the presidential prerogative in foreign affairs.

Rockefeller had said six months ago that he was withdrawing from consideration as Ford's running mate. But now his home-state allies say they hope to negotiate Rockefeller back onto the ticket — or at least into the Cabinet. Their long-shot thought is that they might even win the Presidential nomination for their man if the Republican convention develops a deadlock.

In December, after the White House made no effort to talk Rockefeller out of leaving the ticket, the State Republican Committee abruptly reversed its previous endorsement of Ford for President and resolved to send a "united and uncommitted" delegation to the convention in Kansas City as a way to retain the state's bargaining power.

The potentially pivotal role of the New York delegation, which with 154 members has nearly 15 per cent of the 1,130 votes needed to nominate the GOP candidate, was

underscored last week after Reagan's primary victories in Indiana, Georgia and Alabama put him ahead of Ford in the committed delegate count.

Reagan now has 396 committed delegates, compared to 309 for Ford and 347 uncommitted delegates.

Of the uncommitted delegates chosen so far, 151 are New Yorkers, most of them picked by and loyal to the state GOP organization headed by chairman Richard Rosenbaum, a Rockefeller ally. Only three of New York's delegates are committed to a candidate, each to Reagan.

Rosenbaum met with Reagan campaign manager John Sears last week in New York in an action that Rosenbaum allies publicized in what they candidly admitted was an effort to signal Ford that New York's delegation was not his just for the asking.

Publicly, Rosenbaum says he is most interested in getting "what-ever Republican ticket emerges to

## Islamic conference starts in Istanbul

ISTANBUL. — Hundreds of extra police, plainclothesmen and sharpshooters were mobilized here yesterday as part of massive security precautions for the opening that day of the Seventh Islamic Conference of Foreign Ministers.

With memories of last year's terrorist attack on the Opec headquarters in Vienna still fresh, Turkey was taking all necessary steps to protect conference delegates from the oil-rich states, with whom she is hoping to strengthen ties.

Turkey hopes the gathering will bring her much-needed diplomatic support and help her campaign to secure economic aid from its wealthy neighbours — despite mutual suspicion that still marks relations with her Arab former colonies.

The conference is expected to cover the Middle East situation, the Lebanese crisis, Cyprus and the activities of Moslem separatists in the southern Philippines.

Yesterday's meeting was intended

to prepare for three days of a summit tomorrow, between foreign ministers or their representatives from 40 Moslem states and the United Nations Organization.

For many of the poorer Islamic countries, the conference will provide an opportunity to discuss economic cooperation with rich fellow Moslems from the oil-fields of the Middle East.

But the gathering also co-opts against a background of political rivalries and jealousies that split the Arab world. It will provide an indication whether at a semblance of Islamic unity can be achieved, observers said.

One of those who arrived yesterday was Raouf Denktash, the Cypriot leader, who said he was already being considered for a self-proclaimed Turkish Cypriot centre for the Arab of the Middle East. (Reuters)

## Neapolitans fear disaster as saint fails them

NAPLES. — Superstitious Neapolitans awaited disaster yesterday after their patron saint led them down once again.

Thousands of persons hurried home from the city cathedral as Roman Catholic church officials put away the vials of dried blood of St. Januarius when it failed to liquefy.

After eight days of prayers were fruitless, the traditional ceremony was declared over and the vials were locked in the chapel.

Neapolitans claim the blood failed to liquefy in May only in 1527 and 1533 when there was pestilence, in 1569 when there was famine, and in 1835 when there was an epidemic of cholera.

Many believe the bit of dried blood are to turn liquid on the first Saturday of May, when St. Januarius' body was transferred to the city, and on Sept. 19, the day he was martyred in the year 305.

The vials are carried in procession through the Cathedral and placed on the main altar, waiting for the "miracle," and remain there for eight days.

Corrado Cardinal Ursi, archbishop of Naples, told his flock on May 2 that the blood did not liquefy this year because of "neopaganism" which impeded "Christian life."

He was referring to the Communist party and its campaign to become Italy's largest party in parliamentary elections on June 20.

The Catholic encyclopedia's article about the liquefied blood says "the phenomenon eludes natural explanation." Some researchers claim the dried bit turns to liquid from the heat of nearby candles or from the warmth of large groups of worshipping people inside the cathedral. (AP)

## Around the world

### Thorpe quits as top Liberal

LONDON. — Jeremy Thorpe, 47, leader of Britain's Liberal Party yesterday bowed to a mounting storm over charges he once had a homosexual relationship with a male model and quit the party leadership he held for nine years.

Thorpe said he was bowing out because of "a campaign of denigration which has now endured for over three months."

The charge was made in open court earlier this year by Norm Scott, a former model whom Thorpe said, he once had befriended. Thorpe, however, "categorically" repeated his denials of Scott's allegation. (UE)

### 'Bernhard took no bribes'

AMSTERDAM. — A Dutch commission of inquiry has cleared Prince Bernhard of charges of accepting bribes from the Lockheed Aircraft Corporation but says he must have known payoffs were made some of his associates, the Rotterdam daily "Algemeen Dagblad" reported yesterday.

"Algemeen Dagblad" gave no attribution for its report and the was no confirmation of the supposed findings in official circles in The Hague. A government spokesman said the commission's report is not yet been received but is expected shortly.

According to "Algemeen Dagblad," the commission has concluded that the 64-year-old Prince was "swept along" by associates direct involved in the scandal and that he knows who received payoffs. The commission is convinced that the Prince has a "considerable awareness" of his royal function and that he did not accept bribes the paper said. (AP)

### Americans to plan Sadat City

CAIRO. — A consortium of five U.S. architectural firms has been contracted to plan the new Sadat City north of Cairo in the NE Delta. U.S. officials said yesterday.

The \$13m. on contract, signed with the Ministry of Housing and Reconstruction, calls for a 15-month study starting in July. The city to be named after President Anwar Sadat, will have a population of about half a million.

The firms include David A. Trane and partners of Philadelphia and the architect Marcel Breuer. (UPI)

## Presidential nomination an outside chance Rockefeller forces weigh bargain with faltering Ford

ALBANY, New York. — Leaders of New York State's Republican party say privately that they may try to advance the lingering ambitions of Vice-President Nelson A. Rockefeller, former Governor of New York, as the price for any help they give President Ford in fending off Ronald Reagan's challenge for the nomination.

Meanwhile, in Philadelphia yesterday Rockefeller called for a return to strong presidential leadership in foreign affairs to meet what he called the threat of new Soviet imperialism. Speaking to the 25th general assembly of the International Press Institute, the Vice-President said congressional actions of recent years, had caused "serious repercussions" through usurping the presidential prerogative in foreign affairs.

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Has he a chance? (Starphoto)

pledge economic help for the North-east.

But he smiles when asked about the power-broker role. "Between Pennsylvania and New Jersey, a US and a few other pieces of the puzzle, we have 300 or 400 uncommitted delegates," he says. "This is a pretty substantial block."

Can Rockefeller make the ticket? "I have let it be known that I think Rockefeller would be a great asset to the ticket, in any position Rosenbaum answers."

Rockefeller, whose family built up the enormous oil empire known as Exxon, was three times the Governor of New York state. He has made unsuccessful bids for the Republican presidential nomination in the past but was rejected by the influential right-wing of the Republican party.

Ford, meanwhile, has embarked on a new campaign theme of "peace, prosperity and trust."

Confronted by the awesome gain made by Reagan in party primaries in four straight in the last two weeks, Ford has changed his campaign approach to stress the positive side of his 21 months in office.

He is speaking hopefully to America's voters of what he would do if he were elected to a four-year term in the White House. And recent speeches he has ignored Reagan's criticisms of his foreign and defence policies — and specifically of Secretary of State Henry Kissinger.

The first tests of Ford's new strategy will come today during Republican primaries in Nebraska and West Virginia. After sweeping the early primaries, Ford has lost four straight elections to Reagan and now trails the former California governor in the number of Republican national convention delegates pledged to him. (AP)

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Meir Ronnen / Jerusalem Post Art Editor

## EXTRAORDINARY CULTURAL ASSET GOES ON SHOW

THE INTERNATIONAL board of Governors of the Israel Museum were last night given a sneak preview of a collection of 21 pictures and sculptures by 20th century modern masters that are being given to the Israel and Tel Aviv Museums. The pictures, from the Sam and Ayalia Zacks collection, will be on public view at the Israel Museum as of this evening when the show will be opened by President Ephraim Katzir. The collection is an extraordinary cultural asset, and the biggest bequest ever made to Israel's museums.

The show is entitled "A Tribute to Sam Zacks." A wealthy Canadian Zionist and art-lover, who also took up painting in his later years, Zacks married his Israeli wife Ayalia in 1946, took her to Toronto and to compensate her for leaving her home in Paris and Tel Aviv, gave her a Mediterranean landscape by Bonnard. It set a standard for all the art works they then began to acquire together. Before Sam Zacks died in 1970, at 66, he and his wife decided that most of their collection would eventually be divided between Canadian and Israeli museums. The collection was actually willed to the Gallery of Ontario, with the stipulation that half the works were to be specified as a "permanent loan" to the Israeli museums.

This current show has also been supplemented with works from Ayalia Zacks' Tel Aviv home. Her interest in the arts goes back to one of the strongest impressions of her childhood: a visit in 1925 to the Tower of David exhibition held at Jaffa Gate by the Yishuv's fledgling art colony. She soon became friends with artists like Zaritsky, Rubin and Ardon, as well as the late director of the Bezalel Museum, Mordecai Narkiss, whose "teaching and guidance," Ayalia says, "were of immense help to me."

Sam Zacks, a graduate of the Harvard Business School, helped to



Detail of a portrait of Ayalia Zacks by Zaritsky.

develop gold and iron mines in North Canada and Labrador during the 'thirties, and worked an 18-hour day most of his life. He was one of the founders and a vice-president of the Weizmann Institute and a Director of the Palestine Economic Corporation in Canada during the 'fifties. He met Ayalia Fleg Ben-Tovim in London in 1945, following her service with the Free French.

Studying, indeed, living art was the Zacks' way of life. From collecting paintings and drawings, they turned to sculpture. Their contact with immigrants here led to an interest in the culture of Persia, and

the building of an Amlash collection. The actual pecuniary "added value" of their possessions never had any place in the Zacks' thoughts. Sam Zacks once cheerfully confided to this writer that he had recently purchased a number of paintings by Modigliani, only to discover that several of them were forgeries. They were so well done, he chuckled, that his pleasure in them was undiminished.

By 1954, the Zacks' collection was already rich enough for them to give many Israelis their first real look at the work of painters like Bonnard, Soutine, Chagall and Rouault; the Fauvists Derain and Dufy; and Cubists like Picasso, Braque and Leger. They were then exhibited at the old Bezalel Museum, together with drawings from the Zacks' collection by Renoir, Degas, Gauguin and Matisse. Some of these works have now returned here, among them paintings by Utrillo and Derain, Israeli artists Zaritsky, Ardon, Streichman and Berger are represented.

The bequest is perhaps a turning point for both of our major museums (it is not yet decided who will actually get what, but all the works will be seen at both venues), filling in as it does great gaps in our presentation of the history of modern art. For what museum today has the money to acquire paintings by masters that now fetch such huge sums? The Israel Museum could not even raise the insurance premiums needed to move them.

Israel will at last possess, for instance, oils by Matisse, Klee and Leger, a brush painting by Kandinsky, and significant works by Robert Delaunay, Severini and Jawlensky. Matisse is also represented with a drawing and a bronze. There are drawings by Rodin and Modigliani. The Israel Museum is now looking for money to enlarge its permanent exhibition space.

Through the looking glass / Joanna Yehiel

## Mothers-to-be are fashion's orphans

HOW OFTEN have you worn your husband's underpants? Don't laugh, this is a serious question. And if you think back, you may find, as I did, that in the last months of pregnancy, they were the only comfortable underwear you could bear to wear. First, they were made of cotton, and second, they weren't those awful tiny bikini shapes, but were large enough and the elastic was wide enough not to leave cutting lines across your expanding stomach.

It's an odd thing, but in Israel, where most of us are pregnant some of the time, and some of us seemingly most of the time, pregnancy clothes are the Cinderella of the fashion industry. On a quick tour round Jerusalem's stores this week, I found that Aia, for example, has a pregnancy department at all (and no baby department either for that matter) and that Hamashbir's pregnancy clothes are limited to a short line of "large size" dresses, with only a few actually designed as maternity clothes. Even the two or three special "mums" boutiques greeted my request for "maternity underwear" with blank faces.

So what do you do when you're pregnant? Starting with what shows — you're lucky, this year, because the smock dress is still in fashion from last year (although less material is being used for the new, straighter line), and generally speaking, you can make do with the big sizes, as Aia's saleswoman told me. (When I was pregnant, hot pants were in fashion, and that is one item of fashion that is practically impossible to adapt to an expanding stomach). Aia, for example, has a line of cotton sun dresses in blues and beige from about IL120 which can be used perfectly for pregnancy this summer. Hamashbir also has a line of smocks made by Ayelet, all in cotton with huge black or red prints on a white background for about IL165 to IL175. As far as I'm concerned, no summer maternity dress should ever be made of nylon or Tricel or any other synthetic, for the obvious reason that the heavier one gets, the more one sweats.



Aphrodite Fashion's tent dress comes in turquoise and white.

Hamashbir also has several maternity suits (with trousers) or trousers by themselves; the maternity suits — consisting of sleeveless waistcoat top and pants in denim — cost IL175, which seems a lot considering the price of normal jeans.

In fact, as far as buying "maternity" trousers is concerned, it is probably better to make do with your own, preferably almost worn-out jeans, and open them up at the sides (of the waistband), and insert (wide) elastic, yourself. Hamashbir's denim version of this cost IL165; the

other trousers were mainly synthetic and cost IL99, but imagine walking around with synthetic pants in August.

WHAT ABOUT underwear? Not one of the shops I went to had ever heard of a "sleep bra." Yet one definitely needs support at night too, during the last few months of pregnancy. As far as ordinary daytime bras were concerned, I was told simply to take "a larger size" — which is ridiculous, because one is growing from month to month, and one can't keep buying a larger bra every 30 days.

I did find some nursing bras on sale, with cup openings — but absolutely no disposable bra pads to avoid milk staining before the baby is born and during feeding. And special pregnancy panties, as I said above, are impossible to find. The Hamashbir saleswoman in the underwear department on the ground floor did offer me a cotton brief, made by Rotex, for IL10.50. She said most pregnant women bought these and then altered the elastic, so perhaps this is as good a solution as wearing Y-fronts!

I also could not find any maternity sleepwear (buy last time I was told) or slippers and petticoats. If you have a mother living in the U.S. or in Europe, your problem is usually solved by her. Or, if you have a foreign account which you are entitled to use, I can highly recommend buying all you need from the British "Mothercare" catalogue. This is obtainable (in summer or winter editions) from Cherry Tree Road, Watford WD2 8SR, England. (They have advertised in The Jerusalem Post, so they are obviously interested in expanding their postal service). Mothercare offer bras, nightgowns, briefs, slippers and sleepwear, as well as dresses and suits for pregnant mums, as well as everything you could possibly want for babies and under-fives, all reasonably priced, or even cheap.

Short of this, your only answer is to keep looking — and to bully the stores until they begin to treat pregnant women like people, and not like temporary aberrations.

motion phrases for the group. This same pained outlook on life infected the other choreographic contributions. Yonat Osman and Heda Oren put the company through long, tedious series of disconnected movement sequences, the one to a score by Zippi Fleischer, alternating silence with high-pitched whines of flute and voice; the other to an electronic pastiche of sounds by Moshe Kelon reminiscent of bird calls, animal cries and plunks in a full rain barrel, but at least and at last a rhythmic pulse in the final section. It was all very depressing.

### Dreary and depressing

DANCE / JOAN CASS

Cushman's next offering was "A Moment that Happened," a duet performed to a nerve-rattling aitar. The evening concluded with three unhappy American songs (of Robert Flack) which were again accompanied by Cushman's taut, sudden

WILLIAM FRIEDKIN, director of two of the most successful and profitable movies of the past few years, has just spent a month in Jerusalem filming a sequence for a new film, Famous for "The French Connection" which earned him Academy awards in 1973 and for "The Exorcist" which has chilled the spines of millions and netted 100 million dollars to date. Friedkin is now making a film called "The Sorcerer."

How did he feel about filming in Israel, we asked him at a farewell party at his Hilton headquarters.

The 38-year-old director answered quietly and directly. "As a Jew, I found the country inspiring. Working here has turned me from a cynic to something of an optimist."

In the first place, I have never before in my 15 years of film making — features and TV programs — finished a picture in less than the scheduled time and under budget. "The Exorcist" was 200 days behind schedule and 100 percent over budget. It was only here in Israel that we were able to save both time and money, thanks to the dedication and efficiency of the local filming unit and the help of the Police and the Government Film Centre. And I would also like to thank Jews and Arabs alike for their cooperation in helping us to film in the streets of Jerusalem.

"I must confess," he added, "that with the tough situation in the Middle East, we thought we might have to shoot this episode elsewhere. It deals with an Arab involved in terrorist activities. But as far as I'm concerned, all we have encountered here has been friendship and good will."

The letter he has sent to Mr. Haim Bar Lev, the Minister for Commerce and Industry, citing the Israeli film unit, headed by producer Roni Yacov, as one of the finest crews he had worked with, should be a boost to the morale of our young film industry, of late deflated by economic stress, political siege and self-criticism.

The episode, which took two weeks and 500,000 dollars to film, was technically intricate, and called for a crew of 70 experts to perform special effects never before done. The director, who calls special effects "complicated gizmos" swears the



## Cinematic wizard likes filming in Jerusalem

Sophie Kahn / Special to the Jerusalem Post

crew to complete secrecy about the filming. "Original gizmos are a target for thieves in this business. When the film comes out, we don't mind the imitators."

The construction of a huge simulated-glass and wood bank facade, which was exploded near the Jerusalem Municipality, kept a team, headed by local art director Kull Sander, busy for days. The two men who "died" in the explosion were a pair of Hollywood's top-notch stuntmen, Chuck Waters and Nick Dimitri. Dimitri, in fact, barely escaped getting hurt in the process.

An apartment overlooking the Old City walls was built on top of an existing structure, strong enough to resist a real blast. French actor Amidou, who portrayed the Arab terrorist responsible for the explosions, shunned photographers, fearing retaliation against his family in Morocco.

Good and evil is the theme of Friedkin's new film "The Sorcerer," based on Henri-Georges Clouzot's 1953 "The Wages of Fear" ("La Salaire de la Peur"). Friedkin has been profoundly influenced by the French master of cynicism and shock, but has now surpassed the Gallic master with his virtuosity.

When asked why he is remaking Clouzot's masterpiece rather than using fresh material, Friedkin flashed a smile. "The Wages of Fear is a great film classic. Like Hamlet, it doesn't need updating; but it can certainly serve as a source of inspiration. We got the remake rights from producer George Arnaud, but actually we're using the skeleton only."

"The Sorcerer depicts violent acts but it will also show with detailed realism, for the first half of the film, the hopelessness and degradation of four men from different countries and backgrounds, who meet in South America."

"Four separate episodes set the stage for the long, harrowing drive to the burning oil fields in a desert with truck-loads of nitroglycerin ready to explode at every jolt and jer. The drivers are gambling their very lives against the opportunity to make enough money to escape from their sordid environment. The men must cooperate to live — or die." Concluded Friedkin: "The idea of brotherhood and cooperation of people of different nationalities is so relevant to Israel."

The French episode, starring Bruno Cremer, had been filmed in

Paris before the team came to Israel. Now the production is moving on to New Jersey, N.Y., where they will film the story of the small-time crook (Roy Scheider) who steals church funds and has to escape from the U.S. Friedkin didn't divulge the story of the fourth episode or its "mystery man," which will be played by Spanish actor Francisco Rabal. The second half of the film will be shot in the Dominican Republic.

Friedkin believes in a non-star cast. The only "big name" he is using is Roy Scheider, who starred in "Jaws".

Unlike Clouzot, known as a slave-driving director during the filming of "The Wages of Fear", Friedkin is described by his crew as a quiet, considerate director with a cynical sense of humor. He does not socialize during the filming, and goes to bed at 9 p.m. every evening. "He's really a very sensitive man," says Israeli assistant-director Dan Shorer. "He can't stand scary small-talk. But when he films horror scenes, he shuts himself off."

Until he made "The French Connection" Friedkin's box-office record was on the cold side. Beginning his feature-film career in 1966 — after a TV career in Chicago — he had directed popular singers Sonny and Cher in a musical called "Good Times", followed with a medium good burlesque satire "The Night They Raided Minsky's"; a flop film version of Pinter's "The Birthday Party", and a better one of "The Boys in the Band".

When he came up with "The French Connection" the package he offered was not regarded as tempting. "Every studio in town turned us down," said Friedkin. "It was just another 'cop script'. When Twentieth Century Fox picked it up, they didn't even know why." But Friedkin knew exactly what he wanted. He gave it a magic touch and a film classic was born.

The cinematic wizard works fast, makes things crystal-clear to his co-workers, electrifies them with his enthusiasm and amazes his crew with his relentless search for perfection. "There's no second best for Billy," they said in a chorus. He and his crew are convinced "The Sorcerer" will be a knockout of a film.

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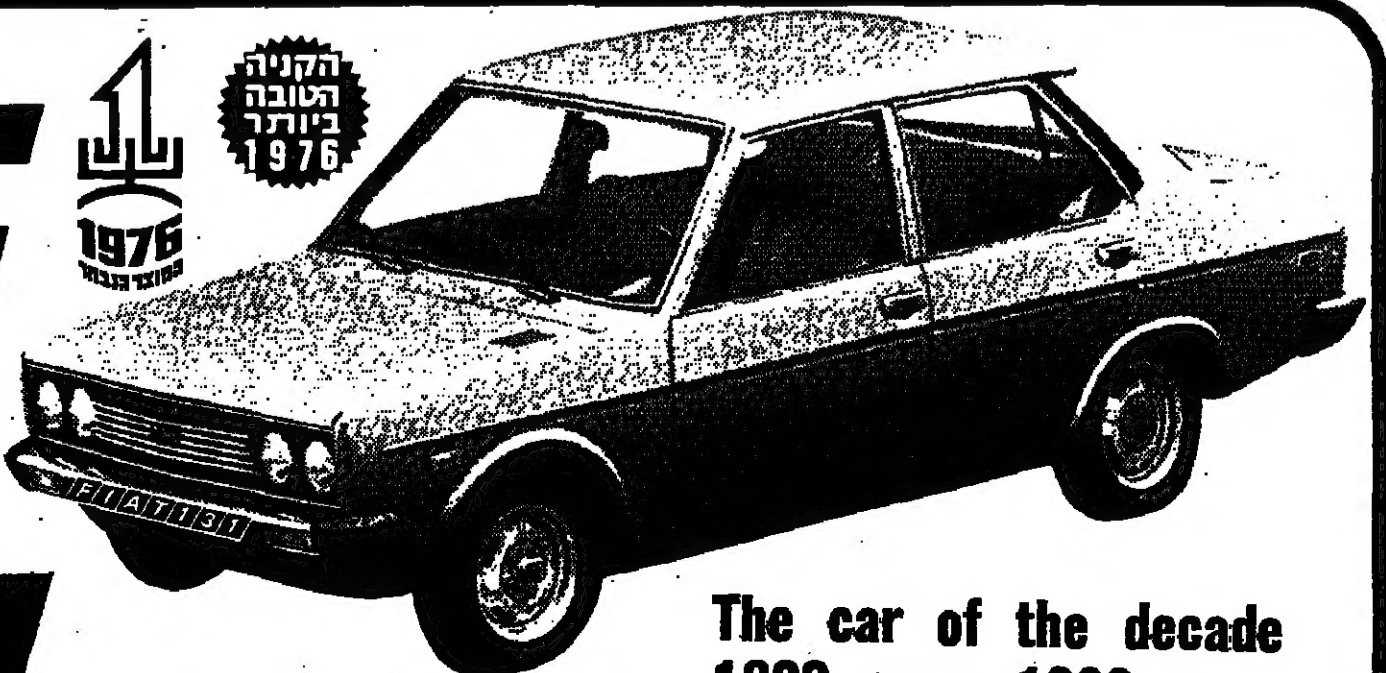
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## STATE COMPTROLLER'S REPORT

Some of the Israel Defence Forces biggest projects in recent years — restoration to battle-readiness of thousands of vehicles, putting emergency stores into optimum shape, re-examination of tens of thousands of previously exempt citizens — come in for appreciation from the State Comptroller. But he is also critical of many aspects of these operations as well as a number of others scrutinized in this report, including wasteful defence construction in Sinai.

## Ready for battle, but still wasteful

SHARP criticism is levelled at the Navy for the sorry state of equipment maintenance. A recurrent theme is inadequate attention to paperwork — the accurate keeping of records, which alone can ensure the control essential for efficiency.

The IDF generally explains the faults by pointing to the period — the year following the Yom Kippur War, and the urgency with which vast projects were carried out with insufficient manpower.

**Sinai fortification**  
In his last report, the Comptroller found serious flaws in the supervision of fortification construction on the Golan Heights, and urged the importance of inspection and control procedures despite the urgency of the work.

In the current report, he reviews construction of fortifications in Sinai in 1974, also carried out with great speed and urgency, and finds that his recommendations went unheeded. He found that financial control was inadequate and that supervision was insufficient over huge quantities of building materials and over rented vehicles and mechanical equipment.

He found that a private company hired for surveying operations overcharged by IL12,000. The army's Chief Engineering Officer reported that there were serious flaws in the company's work, which was under his supervision.

A sum of IL85 million was allocated for building materials. In nine of ten supply dumps, there was no registration of the materials received or issued, and in the tenth there was only partial registration.

In one dump, a machine for unloading building materials was hired at a cost of IL100,000. The machine was unusable, damaged the building materials and it cost 40 per cent more than the fork-lift which should have been hired to do the job.

Serious irregularities were found in the control of large numbers of engineering machines hired for construction work. For example, the officer in charge approved payment for 19,000 hours of work (at IL214 per hour) for 3,266 of which the machines were standing idle.

Not only were costly errors found in the keeping of records, but even such data as was supplied by IDF inspectors went ignored and the contractors were paid according to their own calculations.

**Restoring battle-readiness**  
Thousands of vehicles were repaired in a relatively short time after the Yom Kippur War, despite the many difficulties and the huge work load, the Comptroller states. But he criticizes several aspects of this operation.

The workshop units did not see to an equitable distribution of the reserves service load. Soldiers trained in technical trades were sometimes employed in unskilled capacities for many months, despite the shortage of skilled manpower.

In many cases, vehicles, including tanks stood idle for months because of delays before and after they underwent repairs. This not only reduced the battle-readiness of the units they belonged to, but meant they suffered by not receiving the required periodical servicing.

The Comptroller found shortcomings in the work of private garages which contracted to repair vehicles, and in the inspection and control of the IDF units responsible. Gross overcharging went unnoted by the inspectors. In one case, involving 25 vehicles, a garage was overpaid IL15,000.

IDF inspectors were both in short supply and frequently lacked the

required skills. In at least two cases, private garages were found to be producing inferior work, but they nevertheless continued to be supplied with orders.

The IDF set up stocks of spare parts in the private garages, but control of inventory was inefficient. One inspection found that the IDF representative was absent and the key to the stores was with the garage owner.

In one case, the IDF decided to repair 100 trucks taken as booty from the enemy and 10 were transferred from a base in the north to a garage in the south by tow-truck and train. It was found they could not be repaired and they were returned north. The bill for the train transportation alone came to IL66,000.

Commenting on the repair operation, the IDF says it was a success despite the fact that the army and the Defence Ministry were not prepared for it, in terms of infrastructure, procedures or manpower.

**Emergency Stores**  
The Comptroller returned to the emergency stores, where the vehicles, weapons and equipment used in wartime by the reservists — who constitute the bulk of the IDF land forces — are kept in a state of maximum combat-readiness. Repeated inspections have shown progress in this area, but a number of shortcomings remain. "To overcome these and even to maintain the level which has been attained requires constant alertness and study of the lessons of the war..."

In the units selected for inspection, most of the findings related to gaps between stocks and inventories and faulty arrangements for storage and maintenance. Detailed replies were received from the units concerned and from the General Staff's Chief of Logistics, enumerating the steps taken since to improve the situation.

I.D.F.

By Ronnie Hope

Most of the shortages discovered at the end of 1974 had been made good by March 1975, and stocks had generally kept up with the planned level.

Various faults were found in the servicing of vehicles and keeping of servicing records. In some cases vehicles were out of order for months without being sent for repair. In a number of units, there were faults in the inventory listing, and in others, ammunition was stored in the open, on damp ground, without proper covering. There was no proper separation between types of ammunition which are dangerous when stored together. (The army explained that due to shortage of funds, building lags far behind storage requirements.)

The Comptroller gives a detailed description of the maintenance of equipment in one brigade in the Southern Command where a chaotic state of affairs was found on the first visit in January 1975 — disorganised storerooms, vehicles not serviced, weapons and optical equipment out of order and general neglect everywhere in evidence. The Comptroller drew the Command's attention to the unit and it was explained that the unit was suffering from a severe shortage of manpower. But immediate steps were taken to rectify the situation and in June the unit was given a "good" mark in an examination conducted by the Logistics Branch. The unit's logistics officer was later fined by a disciplinary court for negligence.

**Fuel distribution and consumption**  
The IDF fuel budget (excluding aircraft and ships) for 1975 is IL422 million, and the Comptroller calls for closer surveillance of the use of petrol and diesel fuel. He lists several cases of waste and lack of proper control, stating that in all units inspected there were faults in keeping

records. The Comptroller blames a lack of discipline at all levels for fuel waste. He says some steps have already been taken, but more measures are called for, including better use of a computer, to solve the problem.

**Neglect of required paperwork**  
Procedures were found also at a Supply and Service Base of the Logistics Corps. Many items procured went unchecked, and were stored together with items that had been inspected, making it impossible later to distinguish between the two groups.

**Maintenance of Navy equipment**  
Negligence which sometimes affected operational capability and led to great waste was found in the Comptroller's examination of two Navy ships.

At one, civilian workers far exceeded their overtime quota. (One man was dismissed and fined IL12,600 for falsifying his overtime bill by IL4,000); but reservists with technical specialisations were not exploited fully, working only 61 per cent of the days they were mobilised.

The Comptroller cites 30 cases in which the shipyard officers found that naval units had incurred damage to equipment by incorrect operation or bad maintenance. This led to rapid deterioration and greater repair costs.

"These reports showed that this state of maintenance had grave operational repercussions. Most of the cases were not brought to the attention of the Navy Command and no steps were taken against those responsible." (The navy explains that the big growth in size and sophistication of equipment was not matched by a corresponding increase in technical manpower and claims that measures have been taken to improve the situation.)

But even in the maintenance workshops equipment was badly maintained: of 85 instruments used for checking electronic equipment, 14 had not been given an annual servicing for five years, three for four years, 12 for three years, and 15 for two years and 41 for 18 months.

**Safety in Training**  
Training casualties dropped by 19 per cent in 1974, despite the doubled training effort. The chief causes of accidents were exploding ammunition or incorrect operation of weapons — these caused half of the wounded and about half the fatalities in the first half of 1975.

A Training Department report said in March 1976: "Most of the casualties result from carelessness or clear violations of safety regulations." The Comptroller adds: "Faulty discipline... negligence and contempt for safety measures." Sixteen of 22 casualties in 1975 were the result of failure to observe regulations. In four examples which he cites, the responsible officer was prosecuted.

The Comptroller inspected a number of training bases and found that regulations were generally observed. But he found that when the Training Department of the General Staff reviewed training courses, it neglected to comment on the subject of safety in its reports.

The Comptroller found insufficient awareness among commanders of various ranks — especially junior officers and NCOs — of the dangers of casualties in training. Only a small step had been taken in the Northern Command to improve this state of affairs by audio-visual means. Although the Command issues leaflets on the subject, they do not reach the lower ranks.

(Other subjects covered in the Comptroller's report on the IDF include manpower management in the Air Force, employment of women soldiers in regular service, the return of previously exempt men to service, the IDF Radio Station, the Payments Administration and payment of Permanent army salaries. Summaries will appear in a later issue.)

Another instalment in the saga of the company which imported 19 bulldozers with the Defence Ministry's money and then hired them to the Ministry, only to rent them back and earn inflated profits in Sinai earthworks, is one of the features of the State Comptroller's report on the Defence Ministry.

The vast amounts of money at the Ministry's disposal, its pervasive influence on the economy and the urgency and importance of its work, make it one of the most important bodies subject to the Comptroller's scrutiny. He has regularly called for improved management procedures in the Ministry, and this year he praises the introduction of a Comptroller of the Defence Establishment.

Instances of corruption in the Ministry which came to light last year give the report even more topicality, although there is no direct mention of the criminal proceedings.

Unexplained bureaucratic delays in the handling of urgent orders for vital weapons systems come to light in the Comptroller's scrutiny of the Ministry's Mission in New York.

**Fiscal operations**  
The Comptroller discusses Ministry payment of "advances" when the account with a supplier has not been finalised because delivery of an ordered item extends beyond the budgetary year.

By March 1975, the total amount of advances paid (for items not yet delivered or where final accounts had not been drawn up) totalled IL3,386 million.

For example, advances totalling IL156 million had been paid to Elta, an Israeli Aircraft Industries subsidiary, including IL30 million dating back to the years 1968-72. In some cases advances were paid before contracts were drawn up or prices set. The Comptroller has in the past insisted that financing for such companies must be based on a controlled plan.

In its comments on the Comptroller's report, the Defence Ministry says the total of advances dropped during 1975 by IL1.7 billion. Also, disagreements with Elta and IAI had held up final signing of the contracts.

Following his inspection, says the Comptroller, the Ministry issued new regulations to ensure that payments to suppliers are made on a uniform basis and in line with the contract.

**Internal defence inspection**  
Internal inspection systems in the defence establishment came under discussion after the "grave manifestations" of corruption revealed in early 1975. The Comptroller was asked to investigate the internal inspection system by the Knesset State Comptroller Committee in April 1975 and the investigation took place in November and December of that year.

The Defence Ministry and Israel Defence Forces are subject to a joint inspection body — *Havakham*. For several years it has been staffed by 24 instead of the 35 persons provided for in its official complement. The Ministry explains this by a lack of suitable personnel.

The Comptroller says the inspection body failed to investigate a number of important spheres — including contracts for the purchase of large weapons systems in Israel and abroad, contracts for new plants or multi-year contracts — even after the Comptroller himself had submitted recommendations. Furthermore, only limited inspections were carried out by the unit into the Ministry's financial operations and into the vast operations of the Building and Property Division.

The inspection body fails to carry out systematic follow-ups to see whether the faults it uncovers are corrected or not. In a number of cases it transpired that recommendations had been ignored.

Another aspect of the "inspection of the inspectors" was an examination of the work of internal control units within some of the Ministry's divisions. The Comptroller says no criteria exist for the number of personnel required in each division or for the skills they need. A number of units with control over large budgets have no internal inspection at all. Internal controllers within the units fail to report to the Ministry's central inspection body, a violation of regulations.

The biggest internal inspection unit is in the Financial Division — 15 men. However, because of the work load not all the documents which should be checked are actually seen by the inspectors and not all faults are reported to the Division.

The Procurement and Production Authority, which employs 372 persons and handles 15,000 orders a year with a total value of IL4 billion, has 12 inspectors. They now check only cases involving IL50,000 or more, in which contracts were issued to suppliers without tenders. All other cases are not subject to their inspection.

A single inspector is employed by the Building and Property Division, which is responsible for vast projects with expenditures of hundreds of millions of pounds. The

## Tighter control needed over defence spending

DEFENCE MINISTRY

Jerusalem Post Military Correspondent

Comptroller notes that in previous reports he pointed to flaws in systems governing tenders, flaws which have led to irregularities.

As to the Military Industries (T.A.s), the Comptroller found that many important areas had gone unvisited for long periods, especially the financial department. Here too there had been no follow-up on whether faults discovered in earlier inspections had been put right.

In the Israel Defence Forces, some 30 officers are specifically assigned the task of internal controllers. In addition, there are technical and professional inspection units: most of these internal control units are new and their modes of operation have not been determined. Frequently, personnel shortage meant that important spheres went unvisited. But some of these units have improved administration. The Comptroller adds that training programmes are needed to improve performance of the internal controllers.

The State Comptroller praises the establishment, in June 1975, of the post of Comptroller of the Defence Establishment. This new, top-level unit will enable existing inspection bodies to broaden their scope.

His own findings and those of other independent studies, says the Comptroller, indicate the need for fundamental reforms and improvements in the organization and management of Defence Ministry operations. The establishment of the new body is "an important step in the right direction, but it is still too early to evaluate its actual contribution."

The State Comptroller inspected

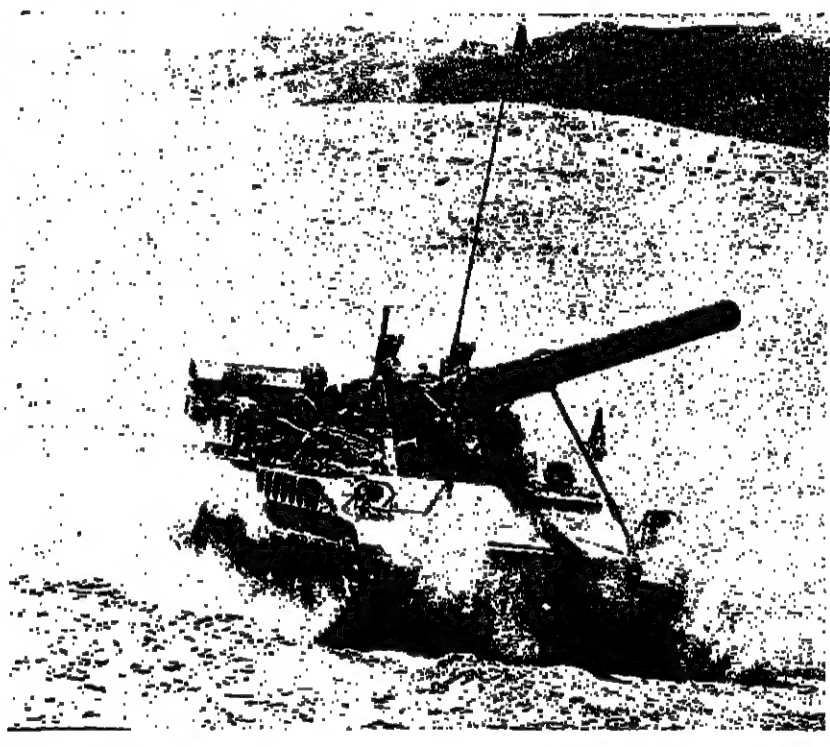
Over half a year later, in April and May 1975, the ordering unit inquired about the order but received no reply.

During the Yom Kippur War in October 1973, a large number of the required items were delivered from another source.

In June and July 1974, the ordering unit and the Procurement Authority inquired again as to the delivery date, stressing the need for the item. Only in September 1974, two years after the first order was made, did the mission submit the order to a supplier, who set a price of \$800,000, or \$70,000 more than had originally been allocated. The mission applied for an increased allocation, but only in August 1975 was this forthcoming.

The ordering unit demanded that the Procurement Authority appoint an officer to investigate the delay which, it said, "had caused severe harm." The head of the authority replied that the unit, the authority and the mission had all been at fault, but, at the insistence of the Corps, he agreed, in January 1976, to appoint an investigating officer.

In the second case cited by the Comptroller, an order for an urgently-required item was submitted to the Procurement Authority in June 1974. This was held up at the Ministry and forwarded to the mission only in January 1975. A year after its original order, in June 1975, the unit inquired, in a series of cables, about the delivery date. It took a month for the mission to reply that the order had not yet been handled. Only in December 1975 was the order finally submitted to the supplier.



this unit in May and June 1975. His survey chiefly covered the unit's activities during 1974. Much of his criticism on the absence of inspection and control is explained by the vast increase in transactions handled by the mission following the Yom Kippur War. He scores failure to secure the lowest possible price for procurements, delays in submitting orders, and failure to ensure that orders were actually delivered before payment.

Regarding the organization of the unit, which has a budget of \$800,000 for administration and employs 33 Defence Ministry officials and an unspecified number of U.S. residents (including Israelis), the Comptroller says that the director has notified him that a number of reforms have recently been introduced.

The mission in many cases failed to take advantage of a 10 per cent price reduction offered by many U.S. suppliers for payment within 10 days of delivery. The amount lost as a result was considerable.

The mission failed to carry out routine checks to make sure that orders were being properly handled, although it receives monthly computer reports for this purpose. Only when complaints of delays were received from Israel were investigations carried out.

The Comptroller cites two "grave cases" of delay in handling urgent requirements for equipment. In one, a certain item was requested in June 1972 for immediate delivery. The order reached the mission in September that year.

The Ministry makes no attempt to explain either of these cases. Where the absence of a certain item puts a weapons system out of action, units in Israel are permitted to order the item direct from the mission, on condition that the cost is no greater than \$5,000 (higher-priced items go through the Procurement Authority).

These orders are classified in three categories of urgency — from one to three months for delivery. Up to 20 such orders were being received daily at the end of 1974. The Comptroller's check of 100 such orders showed that many were being delivered after substantial delays, sometimes of over one year.

The Comptroller cites a case in which certain weapons were purchased for \$12.4 million, including \$800,000 for spares. The systems were delivered during the war and early in 1974. The mission paid the supplier the entire sum, although the spares were due for delivery only during 1974 and 1975. In September 1974, the mission, having no information apart from suppliers' invoices, asked the Ministry to confirm delivery of items worth \$210,000. The ministry replied in November 1974 that it could not confirm receipt because of the absence of consignment papers, but it recommended paying the bill.

Another transaction involved the purchase of 19 second-hand bulldozers for \$3.8 million. The Comptroller found that nine of the bulldozers were not examined before purchase. Others were examined only by the supplier and two of

the bulldozers in this category were found to be in poor condition on arrival in Israel. The full price was paid in all cases to the supplier without any counter-claim being made after examination.

The payment, on a cost-plus-per cent basis, was made with the supplier providing proof of costs. The supplier was paid \$81, for transportation in the U.S., preparing the machines for shipment. The inspector revealed that this sum was excessive and mission demanded and received \$7,425 rebate from the supplier.

Discussing orders issued to agents of American firms in Israel, Comptroller says they rose to \$10m. in 1972 to \$31.5m. in 1975. This is a topic which the Comptroller has referred to in previous reports and which has caused considerable controversy in Israel.

The Comptroller quotes a statement by the mission which found substantial savings could have been made by buying the same goods from the U.S. directly from the manufacturer. The study urged that orders of over \$25,000 go through the mission, but this recommendation was never implemented.

The mission said it had saved hundreds of thousands of dollars by insisting that companies which it deals in the U.S. excel from the price commission agents in Israel. It also says avoid paying commission to agents in the U.S. by dealing directly with the manufacturers.

**Israeli manufacturers' contracts**  
In contracting for the supply of a large amount of equipment, an Israeli concern, the price set on a cost-plus basis. But Procurement Authority failed to ensure that the firm's costing was accurate or that the linkage of the foreign currency component was correctly calculated. The total amount involved a multi-year deal was IL210 million, of which IL70 million had been advanced by March 1970, even minor deviations in the costing amounted to substantial sums.

In another case, a manufacturer of tracks for armoured vehicles received several increases in price amounting to millions — on the basis of his own estimates, without proper checking by the Ministry.

It emerged that for one of several orders the manufacturer received IL650,000 too much and Ministry was attempting to rectify this sum. Even after the cost established, the Ministry submitted further orders using the inflated, excessive basis.

**Earth works contracts in Sinai**  
The Comptroller delves in great detail into a highly complex set of contracts concluded with a certain company for carrying out roadbuilding and other projects in Sinai. The contracts have been subject of previous reports and Comptroller says he will continue to scrutinize them.

The company imported 19 bulldozers, with money provided by the Ministry and hired them to the Ministry, which rented them to the company for use in its works projects. The Comptroller investigated four contracts given to the company at a price totalling IL55 million, but for which company eventually submitted a bill totalling IL100 million, due to increased costs. The company had submitted the lowest offer in four contracts, but did it complete work on schedule in any of them.

The Comptroller pointed out previous reports that the company derived advantages from its dealings with the Ministry and took risks. There was no written contract covering the transaction.

The work hours put in by a bulldozer were listed so by a company could be debited for use of the bulldozers, credited operating them and credited renting them to the Ministry.

But only the work-cards filled out by the company itself were used to carry out this calculation. Inspection revealed that the Ministry's Building and Property Division approved sums demanded by the company, although they did not conform with the logbooks kept by the officials at the work site.

The company asked payment of an average of 18 hours a day operation of the bulldozers from January to March 1975, including days rest, without any allowance for stoppages for refuelling or repair. The Ministry unit failed to check the company's work-cards against its own listings, which referred to such stoppages.

The Comptroller's findings were submitted to the head of the division, who referred them back to the unit for checking against own records. This revealed that company's bills included many thousands of hours of work unaccounted for in the records. (The fee for an hour's work had been set at over \$30, with the operator responsible for stoppages for a pair.) A Ministry Committee was appointed to investigate the affair.

(The Comptroller's report on the Defence Ministry also includes chapters on damage to military vehicles; pensions to rehabilitated disabled and military publishing house. Summaries will appear later.)

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## STATE COMPTROLLER'S REPORT

# Cheap loans and subsidies rapped

The Treasury answers that saving schemes represent money withdrawn from circulation for long periods, and should be encouraged. Medium- and long-term bond issues amounted to IL7,190m. during 1974. Only one-fifth was floated by the State. In fact two banks sold more bonds than the Accountant-General, as follows:

Bank Leumi	2,389
Bank HaPoalim	1,800
Treasury	1,605

These three groups accounted for 80 per cent of the issues. The proportion taken by Bank Leumi fell from 35 per cent of the total in the previous year to 32 per cent, while the Discount Bank (the next biggest group) rose from 12 to 17 per cent (from IL3,88m. to IL4,64m.).

The "Big Three" banks put out special issues for loan to Government-owned concerns that used previously to float their own debentures notably the Israel Electricity Company, Tachot Bank (which still sells some bonds of its own) and the Agriculture Bank.

This arrangement can be costly. Tachot pays 0.4 per cent a year to the issuing bank, plus 0.68 per cent a year for flotation expenses — both obligations being indexed. Tachot would not carry these expenses if it floated its own issues.

Three banks loaned IL20m. to the Karta urban development company in Jerusalem, including IL3m. raised through a bond issue. The interest they levied was 5.5 per cent, which gave the banks a gain of 1.84 per cent (linked) — even though the banks took no risk. The debt is guaranteed, partly by the State and partly by the municipality.

Karta pays 13.5 per cent interest, including a 5 per cent premium to the Treasury for linkage insurance. The company received an additional loan of IL10m. from the Treasury, which may be converted into a grant.

Two-thirds of all the money raised through bond flotations went to finance the State budget. More than half the remainder was committed to specific uses (loans approved by the Government), and the rest — IL1,025m. — was at the free disposal of the issuing agencies.

The Histadrut group is allowed a large volume of authorized flotations, for sale to the pension funds, on the understanding that half the money ("A" issues) is invested according to the Government's instructions. The other half ("B" issues) is at the disposal of Hevrat Ovdim.

The report observes two things. First, the allocation was increased markedly in 1974, with IL1,000m. or more than half classified as "B" issues and only IL1,000m. as "A".

Secondly, IL585m. of the "A" issues were placed in Bank HaPoalim and its investment company, both of which belong, of course, to Hevrat Ovdim. The same had happened in 1973, when IL41m. of "A" issues was invested in the bank.

The report repeats its warning, stated in other reports, that the practice of linking Government loans to the index is placing a heavy burden of repayment on the State. The price index rose by 59 per cent in the two years January 1974 to January 1976, and is expected to go up sharply again this year. The

dollar exchange-rate rose in the same period by 72 per cent.

In November 1962 the Ministerial Economic Committee allowed banks to borrow abroad for approved purposes, and the Government was ready to insure these sums against devaluation. The amount covered to date exceeds \$1,000m.

Insurance against devaluation is given too generously. The premium was at first 4-5 per cent; it went up to 8 per cent in June 1975, and to 12 per cent in September. This is still less than the expected loss in value of the pound under the current spate of monthly mini-devaluations. So foreign loans are unduly attractive, and the Government has been authorizing them for less-than-essential objectives (owners' loans from abroad for foreign-controlled companies, building firms in trouble etc.). It must not be forgotten, the report says, that foreign loans increase liquidity in the economy, which is undesirable.

The Government's linkage insurance on local-currency credits amounted, during the 21 months from April 1974 to December 1975, to IL6,400m., not counting its own budgetary loans.

The borrower pays his premium on the principal, but not on the interest. The Government's guarantee, on the other hand, covers both. An examination made of insured loans showed that the average redemption period was 11.5 years, which meant that the sum of interest almost equalled the principal — IL2,786m., as against IL3,056m. Not only, the report concludes, is the premium charge small; it covers little more than half the Government's liability.

Directed bond issues for periods of 17 or 20 years generally include a participation by the bank from its own resources. The bank receives 9 per cent linked, and that is overgenerous, in the State Comptroller's view. The linkage increment is likely to be the greater portion of the entire debt, and its repayment is underwritten by the State, while 9 per cent is the maximum interest rate which the law allows for linked loans.

Banks sell bonds to pension funds and lend the money for approved purposes. The Treasury decided that linkage insurance should apply from the month of issue, that is, should be based on the index figure for that month, published the month after, instead of the "last available index".

During 1975, bank issues totalled IL747m. But the new regulations were applied to only IL47m. of that; the rest was still subject to the old rule. On bonds actually sold, to the sum of IL47m., the linkage will come over the next 17 months — money that goes to the bank instead of the pension fund.

The State Comptroller notified the Accountant-General of credits totaling \$22,000 in compensation for the repairs and enforced idleness resulting from them, during the less than a year the cranes were actually used.

The Comptroller examined the Authority's pay system for its 4,731 permanent employees, stevedores and clerks, whose 1974 payroll totalled IL277 million, and exerted a decisive influence on its tariffs.

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A substantial part of the new borrowings consists of relatively short-term loans from banks and suppliers, an item which soared from \$49m. in 1974 to \$261m. in 1975 — accounting for one-fifth of the debt increase. The Treasury points out that medium-term loans of around five years were not available on the market at the time, owing to the general recession prevailing in the Western world.

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The error has been corrected, the report says; and under discussion is compensation from the bank for the losses suffered.

## Ports pay (and cost) too much

PORTS AUTHORITY / Ya'acov Friedler

The Comptroller's report on the ports Authority draws a picture of lemon being squeezed by its employees and in turn putting the squeeze on the public by exploiting its ports monopoly — doing so in a bit of cost-plus spiral, with the costs artificially inflated.

The Comptroller plans the Authority on each of the three aspects of its operations that he examined: capital cost and interest calculations; the recent (and largely unnecessary) raising of port charges; and the system under which it pays the stevedores and administrative staff in the country's three ports, which it has since its establishment in 1961.

Capital costs make up a vital part of the Authority's total expenditure, on which its tariffs are based. Of its total outlay of IL589 million in 1974, capital costs accounted for 37 per cent, the second largest expenditure item after wages (47 per cent of the total).

The Comptroller says that through series of revaluations of its properties (port installations and equipment) and rising interest costs in excess of the actual interest paid on the relatively cheap capital it got, the Authority inflated its actual capital costs "by millions of pounds."

Thus it was able to gain government approval for tariffs that were higher than strictly warranted. These tariffs are paid by the Authority's clients, the shipowners and country's importers and exporters, who pass them on to the general public, in the form of higher costs for their goods.

The Comptroller found only one mitigating circumstance, namely that the Authority had now started

to put its property valuation system on a professional basis. Nevertheless he urged the Transport Minister to take the situation into account when the Authority once more asks for an increase in its tariffs.

Next, the Comptroller takes the Authority to task for its handling of a 1974 contract with a foreign supplier which leased four mobile cranes to the ports at \$6,000 a month each. It is doubtful whether the transaction was necessary at all in view of the decreasing volume of cargo imports and an increase in the use of containers, which the cranes could not handle.

He also accuses the Authority for having rushed to pay the first monthly instalment before the cranes had been assembled and were ready to use, as had been stipulated in the contract.

Finally, an independent inspector, appointed to look into the matter nearly a year after the deal was concluded, found the cranes were in fact unsuited for port work. They arrived with faulty parts even though the agreement stipulated new cranes.

The "expensive deal" carried out without what the Comptroller calls "full and careful consideration," cost the Authority \$612,000 in rental fees, though the supplier had finally re-

turned \$22,000 in compensation for the repairs and enforced idleness resulting from them, during the less than a year the cranes were actually used.

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## IMPROVING GOVERNMENT INFORMATION SERVICES

By ASHER WALLFISH

The Government Press Office came under the responsibility of the Government Secretary in 1970. In April 1974 it was made part of the Information Ministry, but only for one year. In 1975 it reverted to the Prime Minister's Office, but this time under the responsibility of the director-general as was the case before 1970.

No written guidelines exist governing coordination between the director of the Government Press Office and the press adviser to the Prime Minister.

The Prime Minister's Office maintains no professional supervision over the work of the Government Press Office.

As far as the Prime Minister's Office is concerned, the Government Press Office exists for the technical purpose of disseminating official information as rapidly as possible. It is not supposed to explain Government policy and Government operations.

The State Comptroller believes this is a mistake. The Government Press Office could serve as a useful information tool, supplying journalists with background material that they were anxious to receive.

Other comments on the Government Press Office were: "Pigeon-holes assigned to newspapers, news agencies and journalists should not be used for the distribution of commercial handouts, such as from hotels and public relations firms."

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## Checking the Civil Guard

By ABRAHAM RABINOVICH

In creating the Civil Guard in the summer of 1974, the Government and police moved quickly to provide a framework for a spontaneous volunteering spirit which had manifested itself in the public. Looking at it more than a year after its founding, however, the State Comptroller found gaps in introducing orderly procedures.

All volunteers were supposed to be checked for police records but this was often not done for up to a year after the volunteer began to carry out armed patrols because the computer at police headquarters was heavily booked. In a good number of cases, volunteers were eventually found to have police records. In the absence of any means to examine the mental health of volunteers, a number who proved to be mentally disturbed had been accepted.

The Comptroller urges that no volunteer be accepted until a record check had been run on him.

The Comptroller also suggested that there were too many paid jobs in the essentially volunteer force. There were 1,000 job slots, the bulk of them part-time, in the 1975 fiscal year but these were reduced by 150 towards the end of the year. In practice, only 600 positions were

filled, mostly students and others who man the stations and distribute weapons.

Although most areas mount three guard shifts which span the night hours, most mount only two and some only one.

The Comptroller found that the rifles in the Civil Guard stations were often not securely kept. In five cases during the year, thieves had broken into the stations and stolen weapons.

The Comptroller pays tribute to the Guard which, he notes, is the largest volunteer activity since the creation of the state.

In his report on the Prison Service, the Comptroller refers to the attempt to permit selected youth offenders to join the army via a Gadna programme offered while they are still prisoners. Of the 31 youth who had participated in the programme until the end of 1974, the Comptroller had statistics on 74. Of these, 29 had successfully completed their army service or were still in the army. The remainder had dropped out before completion of their service.



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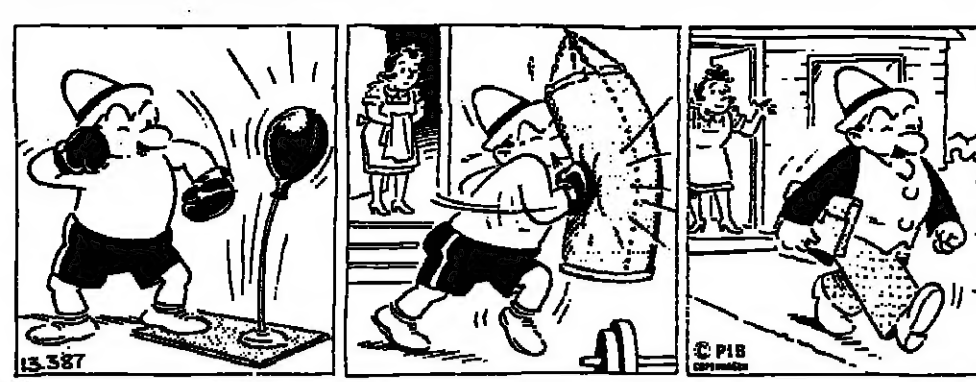
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## WHAT'S ON

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HABASSAH TOURS

1. Medical Centre at 9.30 a.m., 11.00 a.m., 12.15 p.m. and 3.00 p.m. Last tour on Friday at 12.15 p.m. Kennedy Building. No charge. Buses 18 and 27.

2. Morning half-day tour of all Habassah projects, \$8 per person (includes transportation). By reservation only. Tel. 416333.

ISRAEL MUSEUM: Exhibitions: A Tribute to Sam Zacks; Zvi Meiravich; Mesopotamia: Archaeological Discoveries in Jewish Quarter of Jerusalem. Secured Temple: Mari Shamir — Photographs from Sahel; Sassoon Passover Hagdada, Spal-Provence, 14th cent. parchment; Inspiration from the Geds: Ancient Myths in Graphic Arts; Nabataean Coins; Dances of the Country and an exercise in observation; Our Pupils at Work, 1978: Roman Mosaic pavement from Shechem, 3rd-4th cent. C.E. at Rockefeller. Visiting Hours: Israel Museum &amp; Rockefeller: Sun., Mon., Wed., Thur. 10 a.m.-5 p.m.; Tue. Shrine of the Book &amp; Billy Rose Art Garden 10 a.m.-10 p.m.; Israel Museum 4 p.m.-10 p.m.; Rockefeller: Sun., Thur. 10 a.m.-5 p.m.; Israel Museum &amp; Rockefeller: Fri. Sat. 10 a.m.-2 p.m. Tickets for Saturdays must be purchased in advance at the Museum, ticket agencies throughout the country and at major hotels in Jerusalem.

Library open: Sun., Mon., Thur. 10 a.m.-2 p.m.; closed: Tue., Wed.

Free guided tours (English) Sun. and Wed. 11 a.m., from upper entrance hall, main entrance.

HEBREW UNIVERSITY, tours in English at 9 and 11 a.m. from Administration Building: Glial Ram Campus, Mount Scopus tours 11.30 a.m. from the Martin Buber Building: Buses 9 and 28, School of Education bus stop. Further details: Tel. 3210.

AMERICAN MIZRAHI WOMEN, Guest Tours — Jerusalem — Tel. 521605, 225648.

JERUSALEM BIBLICAL ZOO, Schuller Wood, Ramatna, Tel. 333822, 1.30 a.m. — dusk.

STONE IN DAVID'S TOWER, Sound and Light Show in Jerusalem. Every evening except Friday, 7.30 p.m. in Hebrew; 8.45 p.m. in English. Additional show at 10 p.m. — Mon., Wed., Sat., in English; Sun., Thurs., in French. Tickets: Jerusalem agencies and Citadel box office (evenings). Please come warmly dressed.

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## BUSINESS &amp; FINANCE

## TEL AVIV STOCK MARKET:

## Oil shares continue to soar

Jerusalem Post Reporter  
TEL AVIV. — Oil shares continued to push upwards yesterday, and Jordan, which were "buyers" of oil yesterday, is today going to be allowed to rise as demand dictates. Yesterday, they rose from 287 to 311, without any turnover.  
Delek Registered rose by 11.5 points to 200 (95,000), and Delek Seamer by 16 points to 218 (42,500). Yapha jumped from 450 to 500 (50 points) with a small turnover of only 3,000.  
Other stocks were quiet. The turnover in stocks was IL2,900,000, of which 941,000 was in the variables.

	10.5.76	9.5.76	Israel Electric Corp.	196.5	198
			Lighting & Supply	142	141.5
			LAND, BUILDING, DEVELOPMENT		
			AND OFFICES		
			Asria	98.5	98
			Africa Israel IL10	263	263
			East End Dev.	107	106
			Solid Bonds-10% pref.	136	131.5
			Property & Building	185	185
			Lerna	127.5	127
			Mahadim	397	392
			L.C.P. Citrus	108	108
			Anglo-Int. Investors	159	155
			Neot Aviv	121.5	121
			Pri Or Ltd.	272	272
			Rasmo - 8% pref.	110	110.5
			Rasmo	70.5	70.5
			INDUSTRIAL		
			Alliance - 9	550	540
			Elco	155	155.5
			Electra - a	141.5	143
			Argam - 8%	243.5	244
			Argam - C	129.5	129
			Dubek	390	390
			Elco. Wire & Cable	113	115
			Leumi	390	390
			Chem. & Phosphates	141.5	140
			Lewin Bpa.	101.5	101.5
			Moller Textile	128	125.5
			Phoenix - 8% pref.	90.5	90
			Paper Mills	282	282.5
			Alco - 8%	200	200
			Neuchattan 9% pref	451	451
			Elite	398.5	398
			Shemen - 8% pref.	131.5	132
			Tael Plywood	106.5	106
			INVESTMENT & HOLDING COMPANIES		
			Blgar	114.5	114.5
			Elco	155	155.5
			Israel Central Trade	230	225
			Leumi	199	198
			Shemen	309	309
			Wolpina - IL10	73.5	73
			Amos	127.5	128
			Anton	175	175
			United Mills	153.5	154.5
			Leumi	137.5	138.5
			Plycon	155.5	155.5
			Export	96.5	93.5
			Shapora	101.5	101.5
			Chai	225	225
			Chai Industries	115	115
			FUEL & OIL		
			Naphtha OTC	588	591
			Leiphoth OTC	658	658
			Reported by the UNION BANK of Israel Ltd.		
			b-bearer; r-registered		
			B-buyers only; S-sellers only		



# Decision on Kaddum

WHAT THE KADDUM controversy was all about was not really whether a group of Gush Emunim members should be allowed to settle permanently at Kaddum. That has now been resolved. The Cabinet decided that the settlers would move out of Kaddum, not now but sometime "in the near future," to an alternative site yet to be determined. That new site would presumably not be at the heart of Samaria, but could be somewhere else in the area.

The real issue raised by the Kaddum controversy was whether the Government will be allowed to pursue a policy of open diplomatic options in its quest for peace with security. This still remains to be effectively decided.

The purpose of Gush Emunim in first pitching their tents in Sebastia, and then transferring to an army camp in Kaddum, was hardly a secret. It was to present the Government with an irremovable fact on the ground which would make it domestically impossible to negotiate any major part of Samaria, or Judea, regardless of the consideration.

Gush Emunim and their allies honestly believe that their policy is not only ordained by Providence but is also entirely realistic. They trust the Arabs to take every advantage of Israeli weakness, but also to come to terms with an Israel whose domain includes the whole West Bank.

However, the majority of the nation — and certainly of the Government — are persuaded that peace will never be achieved without territorial concessions. The present time, marked as it is by an election campaign in the U.S. and by turmoil in the Arab world, may not be propitious for any specific negotiations. But the options must be kept open for a time of diplomacy, which need be no farther away than next year.

A rational policy of land settlement, besides indicating the nature of Israel's basic security interests, may be a useful means of coaxing the Arab governments into negotiation. When it takes the dimensions advocated by Gush Emunim, it closes options.

In adopting the compromise decision on Kaddum, the Government sought — justifiably — to stave off a confrontation with the settlers. But it also leaves open the possibility that clarification, or re-definition, of settlement policy, which must be strictly a government prerogative, may continue to be subject to a process of bargaining with a private group of citizens.

# The need to decentralize

A PERUSAL of the dense critical material packed into the 1,200 pages of the State Comptroller's Report reveals how gigantic are the activities of the Israel Government. Not only does it spend, through the budget, a sum equal to 90 per cent of the national income, it also controls the capital market, subsidizing and controlling over half the loans made through the country's banks.

It is not surprising that the Comptroller can find each year a multitude of oversights, wrong entries, over-payments, hold-ups in the processing of information, and the rest. Those in charge of the Treasury admitted yesterday to two difficulties in running the civil service: insufficient powers to reward, and insufficient powers to punish.

Pay is mediocre for the upper grades, which leads to a shortage of qualified officials (it took the Accountant-General three years to recruit an internal controller). Inefficient staff members cannot be dealt with firmly, owing to the strength of the workers' committees, and the excessive job security deriving from it.

It is apparent in the bulky volumes released yesterday that improvement does take place all the same, thanks not a little to the vigilance of Dr. Nebezahl and his men, whose job in life is to keep the public service on its toes. But efficiency drives are not enough; it would be salutary to diminish the immense concentration of executive powers in the hands of the administration.

A high-level investigation should be made into the possibilities of decentralization, that is, of handing over detailed decision-making, currently the province of the government clerk or government committee, to the forces of supply and demand in the open market.

In an answer to a criticism made by the State Comptroller of loopholes in the control of foreign exchange, the Treasury answered that the Government's policy nowadays is not to set a policeman at every citizen's elbow, but rather to create conditions under which the citizen will abide by the law out of his own self-interest.

There are a good many other activities that could be taken away from officialdom in this way: a careful study would reveal which. It is senseless to load the civil servants with an endless list of business transactions, the great majority of which do not directly concern the State. Even the most highly paid or highly disciplined functionaries would not be able to cope.

The Government's task is to run the country, not to run each business inside the country. If the authorities could simplify their role in this way, the State Comptroller would be left with much less to criticize.

# ISRAEL PRESS

## 'Gush Emunim put to the test'

DAVAB (Histadrut) writes: "Sunday's Cabinet resolution puts the pioneering spirit of the Kaddum settlers, and of Gush Emunim as a whole, to the test: They will now be given an opportunity to make their contribution within the framework of nationally agreed settlement priorities. That test is yet to come."

"Sunday night's drawn-out debate reflects the endeavour to prevent an avoidable crisis by making use of whatever common ground there may exist, and the fears — and, in some cases, the hopes — of a government crisis or, at least, a rift in the coalition, did not materialize. In this context, it should be noted that the Alignment ministers succeeded in defining a common platform, stating clearly that in the future the Government will not tolerate the creation of facts accomplished by partisan methods, as employed at Hebron, and attempted at Sebastia and Kaddum."

"It must now be hoped that the NRP Ministers, who abstained in Sunday night's vote, realizing perhaps that they had gone too far in presenting their sabre-rattling ultimatum a week ago — will now lend their support to the Cabinet resolution, and persuade the Kaddum settlers not to persist in challenging an absolute majority of the Cabinet, the Knesset and public opinion. There are still sites across the 'Green Line' suitable for settlement as may be decided by the competent authorities, and this is the direction in which the pioneering spirit must be guided, and sincerity of intentions must be proved."

HARETZ (Independent) notes that while succeeding in avoiding a Government crisis and a split in the coalition, Sunday's Cabinet resolution has failed to resolve the real issue: Whether to establish or refrain from establishing Jewish settlements in Samaria.

"It is not difficult to predict what will happen now: The settlers will be offered and will reject in turn site after site insisting on an alternative location in Samaria — failing which they will not budge from Kaddum. The Cabinet has set no time limit for these negotiations, but according to established precedent it took five months to move the nucleus from Sebastia to Kaddum and we cannot expect that less time will be taken now. Should none of the authorities' proposals be to the settlers' liking, and their hold on Kaddum strengthened, Gush Emunim must be considered to have won a second victory Sunday — to follow up its

# Tackling the bureaucrats

DR. WILLIAM WEXLER stood at the switchboard in the reception hall of the B'nai B'rith offices in Tel Aviv, collecting messages, trying to cope with the telephone problem: calls could not be switched to his office, there was an underwater echo chamber on the line and frequent unexplained clicking whenever a connection was made. The phones had been in this state of partial disorder for three days. One telephonist refused to transmit any messages. "I am not a messenger," she said proudly.

Dr. William Wexler, former chairman of the Conference of Presidents of Major American Jewish Organizations, refuses to comment on reports that he will head a "Jews for Carter" campaign. But with all the freshness of a new oleh, he has plenty to tell Louis Rapoport about what's wrong with this country.

SENATORS Humphrey and Jackson, two of Israel's strongest Democratic supporters, would have attracted a heavy Jewish vote, but Carter will be supported by most U.S. Jews, Wexler believes. He says that recent statements that Carter knows very little about the Middle East situation are entirely wrong. "He's very well informed about Israel, he understands the problems."

The former head of the Presidents' Conference of Major American Jewish Organizations seemed to retain his sense of humour about the communication problem. He came to settle in Israel over a year ago, after a long career in Jewish politics. He is an outspoken, straight-talking man from Georgia, and a friend of Jimmy Carter's.

"There isn't a thing you can touch in the country that doesn't fall apart," he says. "There's too damn much idleness."

Dr. Wexler created a stir recently in an interview with Eli Taicher of "Ha'aretz," in which he blasted the Absorption Ministry, Immigration officials, the "wickedness and lack of efficiency" of the petty bureaucrats, the blindness to the fact that "the country is burning."

derstands the needs and problems. And as an Evangelical Protestant, he believes in preserving Israel as the Jewish State.

"He's a clean face in American politics, not part of the bureaucracy. A soft-spoken, well-read, sincere man."

But does it make any difference to Israel who is President? Aren't foreign policy decisions regarding the Middle East deep-seated, bipartisan?

"It makes a hell of a lot of difference who is President — even though the State Department has so much of a say," Dr. Wexler replies. "If the President doesn't want to do something directly, he can pass the buck and blame the State Department."

Dr. Wexler, 62, the father of 14-year-old twins, calls for a dramatic turnaround: "It's such an unhappy country, it's just unbelievable. The middle class is snug and complacent sitting behind their concrete walls. They've allowed the Histadrut and the parties to take over the country. It's a disaster. The people have to rebel against the political system."

"We need to get tough, balance the budget, get the people to work and build up an industrial nation. If people could really feel they were part of the challenge to build the country, you could have mass aliyah from the U.S. As a country of three million, we can't survive."

Recently, there have been reports that Wexler was going to the U.S. to head a "Jews for Carter" campaign. He has known the Georgia Democrat for 15 years, supported his candidacy for Governor in 1970, and is an exceptionally good organizer (Wexler and John Connally were co-chairmen of Democrats for Nixon in the successful 1972 campaign). Wexler is the obvious choice to help run Carter's campaign, but he refused to confirm the reports.

"No comment on any of that," he said.

Dr. Wexler, who today is Honorary Life President of B'nai B'rith, admires hard workers. Jimmy Carter is one of them.

"When he was running for Governor, he went from door to door to meet people, and he did that all around the State. He made an exceptionally good governor. He destroyed a vast bureaucracy, reducing 300 state agencies down to 22."

"He's a determined man. And as far as Israel is concerned, he will make a fine President. He was very much impressed with this country when he visited in 1973. He understands the needs and problems. And as an Evangelical Protestant, he believes in preserving Israel as the Jewish State."

The Democratic Party has given more support to Israel in the long run than the Republicans, according to Wexler, but he ranks Richard Nixon with Harry Truman as the presidents who did the most for Israel.

"What about Nixon's final days, the 'Kissinger Jewboy' remarks and 'The Jewish cabal is out to get me'?"

"I don't think that should be taken seriously. There's a streak of anti-Semitism in all of them. But he came through for Israel when the chips were down."

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The Geneva-based World Health Organization yesterday published a report of a secret visit by three WHO representatives who were permitted by Israel to conduct a survey of health conditions in the administered areas (see page 1). A Foreign Ministry spokesman in Jerusalem noted that Israel has "nothing to hide, and much that we are proud to show." Christine Doyle, medical correspondent of the London "Observer," reports after visiting Gaza last week.

# Foreign correspondent in Gaza

THE TROUBLES in Israel and on the West Bank appear to have had no effect on the tranquillity of the tiny Gaza Strip — home for 200,000 Palestinian refugees since 1948 and scene of some of the bloodiest Arab-Israeli confrontations. Nothing, you are led to believe, mars the carefully guided social, economic and medical "offensive."

Terrorists in Gaza are rare these days, and I was able to walk freely escorted by an armed Israeli soldier — through one of the largest of the eight refugee camps in the Strip. This is Shati, with around 27,000 inhabitants on the edge of the Mediterranean.

The large numbers of children remind you that family planning is virtually impossible here. "It's against their religion, and to encourage it might be regarded as interference," an Israeli pediatrician said later.

in crisp contrast to their decrepit surroundings, wound through the camp. It's depressing to realise that their parents might well have been born in the camp, and even more depressing that their own babies may in turn be reared here.

But the Israeli aim is resettlement. Hundreds of families were moving into new apartments and their camp houses were being destroyed.

The houses — the hope is for 4,000 more over the next two years — are the pride of the Israeli administration. They cost IL47,000 (£3,500) with a Government mortgage. A few more prosperous refugees have bought land and built their own grander houses with verandahs.

since 1967 has been impressive. As in all areas of life, the hospitals and clinics are run by Arabs, but there are Israeli advisers. Gently but relentlessly these advisers have directed change. Fourteen years ago, 12 out of every 100 children died during the first year of life. Now the figure is down to four per cent.

Priority is given to children. Formerly many conditions, such as congenital heart disease, were neglected or not discovered, and parents fatalistically expected children to die. Now expectations and hence demand are rising. The Nasr Hospital for Children is usually 130 per cent occupied, children sleeping two to a cot, and the day hospital is 300 per cent occupied.

BUT THERE is some reluctance to move from the camps. With the change comes a change in attitude: refugee becomes citizen — and the belief in the Strip that refugee status is politically more valuable dies hard.

Yet the rows of flat-roofed one-storey houses have a familiar look. Add a few years and some makeshift extensions — banned at present — and might they not look like a refurbished camp? An Israeli architect, now waging a battle with the authorities over their design, certainly thinks so.

Saadia Mandi, responsible for a gleaming restoration of the casbah area of Jaffa, called the houses "chicken coops."

He said: "Israel might have decided not to care about the Arabs, and done nothing at all. But we do care, so why not do things properly?" To make the houses more Arab in design and more human might cost 20 per cent more, he estimates.

On the medical front, progress

much improvement has come through determined campaigning. A mobile kitchen tours the village and campaigns are mounted to promote good nutrition and hygiene. A successful campaign to eradicate hookworm was run in one village. Myths have to be dispelled — such as getting children to inhale smoke to cure chest illness.

Mothers have to help out in the hospitals. There are only 40 staff nurses for the six hospitals in the Strip. Another 150 doctors are needed, says the director of the Nasr hospital.

There is keen competition to train as a doctor — students generally go to Egypt. But only 50 per cent stay more than an obligatory 12 months in the Strip after qualifying. The Arabs have not tried to extend this period. The Israelis feel it would be interference for them to insist that the new doctors stay.

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# Dry Bones



## READERS' LETTERS

### HONOURING AXEL SPRINGER

To the Editor of The Jerusalem Post  
Sir, — As an American Jew living in Munich, as an historian of the Nazi period and as an observer of the contemporary German scene, I find several reasons to regret the Hebrew University's decision to award an honorary doctorate to German publisher Axel Springer, a decision supported by Mayor Kollek and attacked by the Young Guard of the Labour Party (April 28).

Axel Springer's name is synonymous in Germany with a poor, biased quality of journalism that does not deserve recognition by any university anywhere.

It is true that Springer, like other well-known figures on the West German political right (such as F.J. Strauss), has been a "friend" to Israel. This friendship has largely been based on a belief that Israel is essential to blocking Communist advances in the Middle East. But the anti-Communist argument has also been used to justify arms sales to Saudi Arabia.

It is certainly true that many of Springer's enemies on the German extreme left are "anti-Zionist" and make common cause with the PLO and radical Arab terrorists, but the extreme German left is essentially powerless and will remain so. More important to Israel are the opinions of the great mass of moderate and left-of-centre voters. These remain

generally friendly to Israel. Many of them, particularly younger and more liberal elements regard Springer as the symbol of German political reaction. They also potentially susceptible to a "Zionist" propaganda. The identification of Springer with Israel promoted by the Hebrew University will certainly lend credence to propaganda in Germany.

The German right promotes friendship with Israel because it reduces the "final solution," in its minds, to the level of a past, understanding between two nations no longer important given current happy coincidences of interests. By encouraging Springer, Israel encourages those in Germany and Europe who would prefer forget the Holocaust. This is not a disservice to the memory of victims — it weakens a very real memory of Israel's security. The memory of mass murder has a far toward preventing Israel's international isolation. Those in many who are most likely to genuine friends of Israel are aware of the unique horrors that lie in many's recent past. Israel has business supporting a man regarded as a powerful political agent. Israel only does itself a disservice.

DR. HERBERT S. LEV  
Jerusalem

### UNWARRANTED PESSIMISM

To the Editor of The Jerusalem Post  
Sir, — I was very distressed by the thoughts and the mood expressed in your "State of the Nation" interviews (Independence Day Supplement). They reflect a depth of pessimism and fear that I had not expected to find among leading Israeli citizens. Once again, Jews are blaming themselves for the ills done to them — and, still worse, craving miraculous not solutions instead of trusting to the slow, steady, hopeful and faithful work that has brought Israel the great and inspiring distance it has come.

Those in office cannot be blamed for Arab nationalism, oil, money and large populations; Russian aims and arms; U.S. "even-handed" unreliability; Western European cynicism and cowardice; or the dizzying assortment of social and economic difficulties associated with Zionist absorption and state-building in a resource-poor region. These and comparable other external factors are the limits that define the scope

and speed of Israeli policy, matter who is in power. No matter who will come and sweep them away, neither great leaders nor Messianic religious revivals. Such aspirations are at best futile, at worst dangerous.

Similarly, radical changes in political system, such as the repeatedly mentioned in the views, might help — or might hinder — but to look to them for comprehensive solutions reflects a naïveté. One would not have expected to find among men of this calibre and experience. Moreover, it is not ever-ready "scapegoats" that slows muddles clear and direct policy the healthy competition between opposing views, in other words democracy. Those who yearn patiently to be done with all that should think more about the implications of their fantasy.

ARTHUR P. MEND  
Jerusalem

### RIGHT-WING CHALLENGE

To the Editor of The Jerusalem Post  
Sir, — There are those of us in America who have tried in the past to interpret decisions made by the Israeli Government in ways that would not severely contradict our Zionist and egalitarian views. We have criticized certain policies aimed for the six hospitals in the Strip. Another 150 doctors are needed, says the director of the Nasr hospital.

Yet the recent march to the West Bank taxes to an unbearable extent our capacity to understand and our

willingness to justify. It seems to me that the destruction is coming from within. In challenging the right wing is threatening not only the authority of the Government but its capacity to seek peace. A capitulation to them means, effect, forsaking the possibility of territorial, not to mention external reconciliation.

BARRARA KREIGER  
Cambridge, Mass.

NEIL COMMERFORD (23), of 58 Leber Avenue, Carteret, New Jersey 07008, would like to have Israeli pen-friends. He is interested in getting to know how other people live and in collecting stamps.

FENFRIENDS  
A. CHINNAPPAN (20), of 145 manager, Peelamedu, Coimbatore Tamil Nadu, India, would like have Israeli pen-friends. His hobby is stamp collecting and photography.

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